

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Recreation
Honolulu, Hawaii 96813

January 27, 2006

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Oahu

Issuance of Right-of-Entry Permit to Hilton Hawaiian Village
LLC, Waikiki Oahu, Tax Map Key: (1) 2-3-037: 012, 021

APPLICANT:

Hilton Hawaiian Village LLC (Hilton), a domestic limited liability
company, whose business and mailing address is 2005 Kalia Road,
Honolulu, Hawaii, 96815.

LEGAL REFERENCE:

Sections 171-13, 55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Waikiki situated at Honolulu,
Oahu, identified by Tax Map Key Numbers: (1) 2-3-037:012, 021,
as shown on the attached map labeled **Exhibit "A"**

AREA:

To be determined by a licensed land surveyor.

ZONING:

State Land Use District:	Urban, Conservation
City and County of Honolulu CZO	Public Precinct/Waikiki Special District

ITEM J-3

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State
Constitution: Yes _____ No X

CURRENT USE STATUS:

Roadway, lagoon, public access.

CHARACTER OF USE:

Right, privilege and authority to construct, maintain and repair a circulation system including, without limitation, discharge piping into the harbor, under and across State-owned lands; Right, privilege and authority to construct, maintain and repair a drainage system including, without limitation, discharge piping into the harbor, under and across State-owned lands; Right, privilege and authority to construct, use, maintain and repair pedestrian walkways, boardwalk, and related amenities on State-owned lands.

COMMENCEMENT DATE:

To be determined by the Chairperson.

TERM:

Perpetuity.

ANNUAL RENT:

Gratis

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

A final environmental assessment was approved in December 2005 by the DLNR.

APPLICANT REQUIREMENTS:

Applicant shall be required to provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost.

REMARKS:

On September 22, 1955, the Territory of Hawaii and Kaiser Community Homes ("**Kaiser**") entered into a deed (the "**1955 Deed**"), attached as Exhibit "B".¹ The 1955 Deed obligated Kaiser or its successors: (1) to dredge and construct the Duke Kahanamoku Lagoon (the "**Lagoon**") and Lagoon abutments, (2) to maintain the Lagoon and culverts and a beach within and around the perimeter of said Lagoon; and (3) to maintain necessary pumps and valves to provide circulation of the water in the Lagoon to keep it clean and sanitary at all times. *See* Deed, ¶¶ B.7, B.9, C.2, C.4 (Exhibit B). The 1955 Deed obligated the Territory to construct the Crescent Beach and Recreation Area, to "permit [Kaiser] to maintain the lagoon and culverts and any beach within and around the perimeter of said lagoon to the extent that the same are located upon land owned by the [Territory]." Deed, ¶¶ B.1, B.6, B.7 (Exhibit B).

Hilton is the property owner of lands adjacent to the Lagoon, identified with tax map keys (1) 2-6-8:034; (1) 2-6-8: 001, 002, 009, 010, 011, 012, and 013.

Hilton is in the process of redeveloping its property. Hilton, in connection with its redevelopment of its property, obtained two permits from the City Council of Honolulu, PD-R Permit (File No. 2002/SD-33) (the "**PDR**"), attached hereto as **Exhibit "C"** and Special Management Use Permit (File No. 2002/SMA-19) (the "**SMA**"), attached hereto as **Exhibit "D"**.

The 1955 Deed and the SMA require Hilton to construct and maintain certain improvements to the Lagoon in order to restore it to, and maintain it as, a safe and sanitary body of water. *See* Deed, ¶ C.4 (Exhibit B), SMA, ¶ C (Exhibit D). The SMA also requires that the water in the Lagoon comply with the State water quality requirements. *See* SMA, ¶ C (Exhibit D).

¹ The Governor of the Territory of Hawaii signed Executive Order No. 1795 to the Board of Harbor Commissioners on August 1957 for the Ala Wai Boat Harbor. Later, the Governor signed Executive Order No. 2216 on September 1965 withdrawing 22.464 acres (the lagoon and beach).

The PDR requires Hilton to construct, install and maintain pedestrian walkways, including the new boardwalk promenade that encircles the Lagoon, an extension of the Waikiki Promenade and a connection of the walkway of the Rainbow Tower to the Ala Wai Boat Harbor parking lot. *See* PDR, ¶¶ 4, 5 (Exhibit C). Additionally, the PDR requires Hilton to construct, install and maintain certain amenities in connection with the walkways including, seating areas, drinking fountains, lighting, and landscaped planting strips with irrigation, shade trees, coconut palms, shrubs and ground cover. *See* PDR, ¶¶ 4, 5, 6.b(b) (Exhibit C). These improvements are collectively referred to in this document as the “**Land Improvements**”.

In order to comply with the requirements set forth in the 1955 Deed and the SMA, Hilton intends to (1) replace the existing pipes within the Lagoon with a new circulation system within the Lagoon for inflow and outflow, as shown on the attached **Exhibit “E”**; (2) construct a new pumphouse, as shown on the attached **Exhibit “E”**; and (3) install a new pipeline to carry outflow from the Lagoon into the Makai-Diamond Head corner of the inner harbor basin, substantially as shown on the attached **Exhibit “E”** (collectively the “**Lagoon Improvements**”).

Additionally, Hilton intends to construct, install, maintain, and repair seven saltwater exploratory wells located around the perimeter of the Lagoon, substantially as shown on the attached **Exhibit “E”** (the “**Wells**”) in order to comply with the requirements set forth in the 1955 Deed and the SMA. The BLNR previously granted a Right of Entry Permit Ref. No.: 05D-035 on February 18, 2005 to Hilton for the installation of the Wells. The construction of those wells has not commenced as the Department of Planning and Permitting of the City and County of Honolulu (the “**DPP**”) has now required an additional Special Management Area Use Permit for the installation of the Wells and Right of Entry Permit Ref. No. : 05D-035 has lapsed. Therefore, Hilton is resubmitting its request for a right of entry to construct, install, maintain and repair the Wells.

Additionally, Hilton intends to install a new storm drain system on its property which will re-direct storm water from the Hilton Hawaiian Village properties into the Makai-Diamond Head corner of the inner harbor basin substantially as shown on the attached **Exhibit “F”** in order to improve water quality in the Lagoon because, currently, the storm water is entering the Lagoon (the “**Drainage Improvements**”).

In order to comply with the PDR, Hilton intends to install, construct, maintain and repair the Land Improvements, substantially as shown on **Exhibit "G"** attached hereto.

Hilton requests that the State issue Hilton a continuing right of entry permit in order for Hilton to construct, install, maintain, and repair the Lagoon Improvements, the Wells, the Land Improvements, and the Drainage Improvements (collectively the "*Improvements*").

The State of Hawaii Division of Boating and Ocean Recreation has jurisdiction over the lands on which these improvements will be placed. Hilton has consulted with the staff and they request that the State grant Hilton a right of entry as requested in this submittal.

Hilton will be expending in excess of \$13 million to install and construct the Improvements. Hilton also will maintain these improvements. In light of the vast amount of money Hilton is investing in the Improvements, and in light of the fact that the intended beneficiaries of the Improvements are the general public, it would be inequitable to charge Hilton for the right of entry permit. Therefore, it is requested that the right of entry permit be issued to Hilton at gratis.

Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

A final environmental assessment has been approved by the Department of Land and Natural Resources in December 2005.

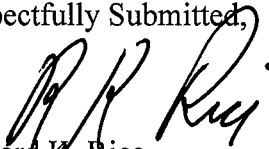
RECOMMENDATION:

That the Board authorize the issuance of the right of entry as follows below:

1. Authorize the issuance of a right of entry to Hilton Hawaiian Village LLC and its contractors covering the subject area for the purposes and under the requirements cited above, which are by this reference incorporated herein, and further subject to the following:
 - A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time-to-time;
 - B. Receipt of all required governmental approvals, permits, etc., by Hilton; and

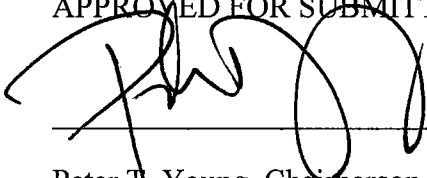
C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

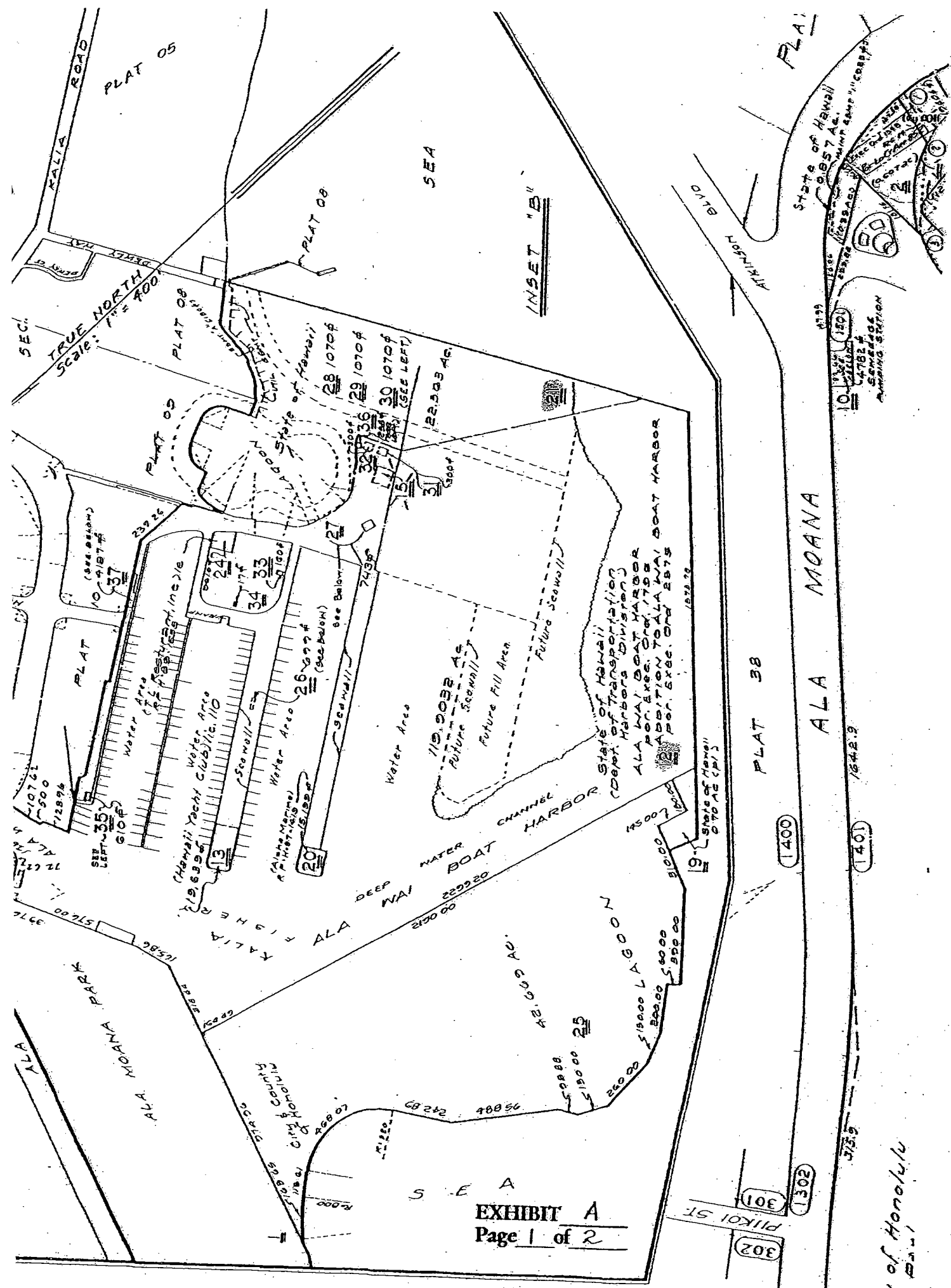


Richard K. Rice
Administrator

APPROVED FOR SUBMITTAL:



Peter T. Young, Chairperson



of Honolulu

(SECOND ORIGINAL)

INDENTURE AND DEED

THIS INDENTURE executed this 22nd day of September, 1955, by and between the TERRITORY OF HAWAII, hereinafter called the "Grantor", and KAISER COMMUNITY HOMES, a California corporation authorized to do business in the Territory of Hawaii, having its principal place of business and post office address at 14418 Chazo Street, Suite B, Panorama City, California, and its office in said Territory at 2005 Kalia Road, Honolulu, Hawaii, hereinafter called the "Grantee",

W I T N E S S E T H:

WHEREAS, Grantor has expended considerable sums of money in the development of Waikiki Beach and desires to expend further public funds in said development by constructing an artificial beach and groin in the area seaward of the land hereinafter described; and

WHEREAS, the construction of said public beach and groin would interfere with the littoral rights appurtenant to the lands of Grantee abutting said area; and

WHEREAS, Grantor is willing to convey to Grantee that certain area, hereinafter described, provided that Grantee will waive and relinquish all claims for compensation or damages against Grantor heretofore made in connection with Grantee's said property, that Grantee will grant, convey, release and relinquish to Grantor all littoral rights appurtenant to or connected with its said lands, that Grantee will agree to the construction of said public

beach and groin, and that the owners of other shore lands abutting said area will do all of the same; and

WHEREAS, by Public Law 199, dated August 1, 1955, Chapter 441, 84th Congress, First Session, the Commissioner of Public Lands of the Territory of Hawaii, with the concurrence of the Board of Harbor Commissioners and the approval of two-thirds of the Board of Public Lands and of the Governor of the Territory of Hawaii, is authorized and empowered to convey to the owners of certain shore lands, of whom the Grantee is one, all or a certain portion of a certain tidelands area described in said Public Law, which tideland area includes the land hereinafter described as Parcel 2, upon the fulfillment of certain conditions; and

WHEREAS, the Board of Harbor Commissioners, at its meeting held September 21, 1955, has concurred in, and two-thirds of the Board of Public Lands of the Territory of Hawaii, at its meeting held September 9, 1955, and the Governor of the Territory of Hawaii, have approved the conveyance of said land, and the conditions referred to have been or are fulfilled by this indenture and by one or more indentures of like tenor made by and between the Grantor and the owners of other shore lands abutting on the tidelands area described in said Public Law;

NOW, THEREFORE, for and in consideration of the release and covenants of and the conveyance by the Grantee, hereinafter set forth, the Grantor does hereby give, grant, bargain and sell unto the Grantee, its successors and assigns, forever and in fee simple, the following property:

PARCEL 2

Being the area lying westerly of and adjacent to Land Court Application 314, situate at Kalia, Waikiki, Honolulu, Oahu, Territory of Hawaii,

Being a portion of the area transferred to the Territory of Hawaii by Presidential Executive Order 1856 dated October 27, 1928.

Being also a portion of the area described in Public Law 199, 84th Congress and approved August 1, 1955.

Beginning at an "→" cut in face of seawall, at the south corner of this parcel of land, being also the west corner of Land Court Application 1653, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOAL" being 10981.46 feet South and 3555.61 feet East, as shown on Government Survey Registered Map 4070, and running by a azimuths measured clockwise from True South:-

1. 151° 56' 75.00 feet;
2. 241° 56' 99.00 feet;
3. Thence on a curve to the left with a radius of 100.00 feet, the chord azimuth and distance being: 200° 45' 141.42 feet;
4. 155° 45' 99.81 feet;
5. Thence on a curve to the left with a radius of 100.00 feet, the chord azimuth and distance being: 110° 45' 141.42 feet;
6. 65° 45' 15.00 feet;
7. 155° 45' 75.00 feet;
8. 243° 24' 30" 310.99 feet along Parcel 1;

Thence along highwater mark of Land Court Application 314 for the next four (4) courses, the direct azimuths and distances between points along said highwater mark being:

9. 325° 00' 35.00 feet;
10. 334° 10' 125.00 feet;
11. 336° 15' 169.00 feet;
12. 334° 00' 93.42 feet to a "↑" out in top of stonewall;

13. 61° 39' 60.00 feet along Land Court Application 1653 to a 24" pipe in concrete;
14. 61° 46' 67.74 feet along Land Court Application 1653 to a spike in face of seawall;
15. 61° 58' 273.88 feet along face of seawall along highwater mark of Land Court Application 1653 to the point of beginning and containing an Area of 2.722 acres.

Excepting and reserving, however, all littoral rights of whatsoever nature or kind which are or may be thereunto appertaining.

Together with a perpetual easement over and across courses numbered 2 to 7, inclusive, of the above description of said parcel and any beach abutting upon said courses, for access to the lagoon hereinafter mentioned; provided, however, that such easement for access shall not include the right to erect or maintain any structure over or upon or to make any excavation in said courses or said beach.

And also an easement over and across the makai (westerly) boundaries of the following parcels of land for access to Crescent Beach, hereinafter mentioned, and the sear

Lot 3, area 82,478 square feet, shown on Map 2 filed in the Office of the Assistant Registrar of the Land Court of the Territory of Hawaii with Land Court Application 264, being a portion of the land described in Transfer Certificate of Title No. 61,396;

The land registered in Land Court Application 624, area 79,596 square feet, shown on Map 2 of said Application filed in said office, being a portion of the land described in Transfer Certificate of Title No. 61,396; and

The land registered in Land Court Application No. 1653, area 83,309 square feet, shown on Map 1, filed in said office, being a portion of the land described in Transfer Certificate of Title No. 61,386.

Provided, however, that said easement for access shall not include the right to erect or maintain any structure over or upon or to make any excavation in said Crescent Beach or the sea.

TO HAVE AND TO HOLD the same together with all of the rights, easements, privileges and appurtenances thereunto belonging or appertaining or held and enjoyed therewith unto the Grantee, its successors and assigns forever.

GRANTOR and GRANTEE hereby covenant and agree as follows:

A. That Registered Map No. 4070 dated September 21, 1955, filed in the Office of the Surveyor of the Territory of Hawaii, copies of which map have been furnished to the Grantee, has been prepared as an aid to the interpretation of the following covenants and depicts the improvements, intended by the parties that are referred to in the following covenants. In the event that changes are hereinafter made in the following covenants by mutual agreement of the Grantor and the Grantee, said changes, insofar as it is possible to do, shall be depicted on said map and revised copies thereof shall be furnished to the Grantee.

B. Grantor, for itself, its successors and assigns, hereby covenants and agrees with Grantee as follows:

1. Grantor shall subject to the availability of funds construct Crescent Beach, the approximate location and configuration of which beach is shown on Registered Map No. 4070, and bordered thereon in yellow. Said beach, shall be

approximately 150 feet in width, shall be located on the seaward side of the shoreline lying in front of and between Land Court Application 1653 and Dewey Way, shown on said map, and run seaward (westerly) from said shoreline, as nearly as practicable as shown on Registered Map No. 4070. The Grantor shall permanently maintain said beach after its construction in the general location and configuration shown on Registered Map No. 4070, to the extent that it is able to control the action of natural forces thereupon, and the adjacent swimming area abutting its seaward (southerly) side, which swimming area is shown on Registered Map No. 4070 crosshatched in green, as a public beach and swimming area so long as and to the extent that appropriations are and may from time to time be available therefor. Grantor shall within six (6) months after completion of performance by Grantee under covenants C 2 and C 3 hereof, construct that part of the said Crescent Beach as is shown on Registered Map No. 4070 crosshatched in black and adjacent swimming area.

2. Grantor shall subject to the availability of funds fill the area, marked "Recreation Area" and bordered in pink on Registered Map No. 4070, lying between the above-mentioned Crescent Beach and the southerly side of the Ala Moana Yacht Harbor, with the exception of the lagoon abutments, hereinafter described, within the recreation area, to an elevation not exceeding 7.0 feet above mean lower low water, (+7.0 M.L.L.W.). Except for the portion thereof marked "Proposed Roadway" and shown on Registered Map No. 4070, said filled area shall be used as and for a recreation area, subject to the covenants hereinafter mentioned.

3. Grantor shall not construct or erect nor permit the construction or erection of any building or structure

exceeding elevation 29 feet above the level of mean lower low water (±29.0 M.L.L.W.) on that portion of the recreation area marked "Buildings Area" and crosshatched with brown lines on Registered Map No. 4070, lying westerly of a line across said recreation area parallel to and 1000 feet westerly from course numbered 4 of the description of Parcel 2 hereinabove, which line is marked "Division Line" and shown on Registered Map No. 4070, and any building or structures erected thereon shall be restricted to yacht clubs, swimming clubs, bath houses, sea-food restaurants and outbuildings incidental thereto and such buildings and structures of a like nature as will contribute to the use of said area as a recreation area. No hotels or apartment houses shall be built nor be permitted to be built thereon.

4. Grantor shall not construct or erect nor permit the construction or erection of any building on that portion of said recreation area, marked "No Buildings Area" on Registered Map No. 4070, lying between the Division Line referred to in the preceding paragraph, the lagoon hereinafter described, Crescent Beach, and the southerly side of Ala Moana Yacht Harbor, nor in the area covered by said lagoon, whether or not the same may be filled at some subsequent date.

5. Grantor shall construct, within sixty (60) days of the commencement by the Grantee of the construction of the lagoon and lagoon abutments hereinafter mentioned, and maintain a culvert connecting the sea and the lagoon hereinafter described, with not less than two separated outlets from said culvert in the lagoon, and one or more culverts connecting either or both of those portions of the Ala Moana Yacht Harbor marked "Water Area A" and "Water Area B" and crosshatched in orange on Registered Map No. 4070 and the lagoon hereinafter

described, with not less than two separated inlets to said culvert or culverts in the lagoon, for the purpose of permitting adequate water circulation through said lagoon.

6. Grantor shall permit Grantee to maintain said lagoon and culverts and any beach within and around the perimeter of said lagoon to the extent that the same are located upon land owned by the Grantor.

7. Grantor shall, within three (3) months after the completion by the Grantee of the lagoon and lagoon abutments hereinafter mentioned, construct a sand beach not less than 75 feet in width (save where the same abuts the Proposed Roadway shown on said Registered Map No. 4070 in which segment said beach may be narrower) contiguous to and around the exterior of the perimeter of the lagoon hereinafter described in approximately the manner shown for said beach, marked "Lagoon Beach" and colored in blue on said Registered Map No. 4070, and shall cover the floor of said lagoon with sand for a width of not less than 75 feet contiguous to and around the interior of the perimeter of said lagoon.

8. Grantor shall, within two (2) weeks of the date hereof or the execution of a similar indenture and deed by the owners of Lot B, Land Court Application No. 1549 (whichever date is later), furnish the Grantee final engineering plans and specifications for the dredging and construction of the lagoon and lagoon abutments to be dredged and constructed by the Grantee, hereinafter mentioned.

9. Grantor shall permit Grantee to install and maintain electric power lines under lands of the Grantor in the vicinity of said lagoon in locations to be mutually agreed upon for the purpose of furnishing electric power for the pumps to be maintained by Grantee, as hereinafter provided.

C. Grantee, for itself, its successors and assigns, hereby covenants and agrees with Grantor as follows, these covenants to run with the land described as Parcel 2, hereinabove:

1. Grantee consents to the construction of said Crescent Beach, recreation area, lagoon and lagoon beach, hereinabove or hereinbelow mentioned. Grantee also consents to the demolition and removal of the pier shown and marked "Pier" on Registered Map No. 4070, in the filling and construction of said Crescent Beach.

2. Grantee shall within six (6) months after the Grantor has furnished it with final engineering plans and specifications therefor dredge and construct a lagoon and lagoon abutments in accordance with said plans and specifications. The lagoon shall be dredged to a depth of not less than 7.7 feet (-7.7 M.L.L.W.) and not more than 12 feet (-12.0 M.L.L.W.), and shall be in the approximate location and configuration shown on the attached map as "Lagoon" and colored in green thereon. Said lagoon shall be of a maximum length, in an easterly-westerly direction, of 650 feet and a maximum width, in a northwesterly-southeasterly direction, of 450 feet. The perimeter of said lagoon, as shown on said Registered Map No. 4070 except along the northwesterly segment of the same near the proposed roadway, represents the mean low water mark of the same. The abutments around the exterior perimeter of said lagoon to be constructed by the Grantee shall be composed of fill evenly sloped from the perimeter of said lagoon to a level of not more than 6 feet above mean lower low water (+6.0 M.L.L.W.) at a distance of not more than 75 feet from said perimeter (or at the southerly line of the proposed roadway where the same is closer than 75 feet to said

perimeter) and thence at the same level for an additional distance of 50 feet (except to the extent that the full additional distance of 50 feet cannot be obtained within the limits imposed by the southerly line of the proposed roadway and the southerly courses, numbered 13 through 15, of the above description of Parcel 2).

3. Grantee shall, within the period mentioned next above, fill the area described in Parcel 2 hereinabove to the approximate grade of the Grantee's properties adjoining it on the easterly and southerly sides of the same, save within the area thereof to be covered by a portion of the lagoon beach, where the grade shall slope to mean low water mark of the lagoon. Any material dredged in constructing said lagoon in excess of that necessary for constructing the lagoon abutments may be used by Grantee for the purpose of filling Parcel 2 and for the purpose of filling Parcel 1 if permitted by the owners thereof.

4. The Grantee, within one (1) month after completion of performance by Grantor under covenants B 5 and B 7 hereof, shall install and thereafter, subject only to the provisions of paragraph D. 1, hereinbelow, shall perpetually operate and maintain necessary pumps and valves, to be situated on the property of the Grantor in locations mutually agreed upon, to provide circulation of water in said lagoon adequate to keep the same clean and sanitary at all times.

D. It is mutually covenanted and agreed by the Grantor and Grantee, that:

1. In the event that satisfactory maintenance of the lagoon proves to be physically impracticable by reason of excessive costs or inability to maintain proper sanitary conditions therein the foregoing covenants numbered B 5, B 6, and C 4 shall be terminated and the Grantor and Grantee

shall have no further obligation with respect thereto.

In such event, the Grantor shall, however,

- (a) Fill the lagoon and lagoon beach to the grade of the surrounding properties. The lagoon shall then become a part of the "No Buildings" portion of the recreation area, and the easement hereinabove granted for access to the lagoon shall become an easement for access to said recreation area.
- (b) Convey to the Grantee, its successors and assigns a non-exclusive easement for foot passage 20 feet wide from the junction of courses numbered 7 and 8 of the description of Parcel 2, hereinabove described, along, contiguous to and on the westerly side of courses numbered 1 to 7, inclusive, of said description of Parcel 2, hereinabove described, for access to Crescent Beach and the sea; provided, however, that said easement shall not include the right to erect or maintain any structure over or upon or to make any excavation in the area covered by said easement.

2. That certain agreement known as the Waikiki Agreement entered into on October 19, 1920, between Grantor and various property owners, including Grantee's predecessors in title, said agreement being recorded in the Bureau of Conveyances of the Territory of Hawaii in Book 1047, Pages 176-202, and noted on Transfer Certificate of Title Nos. 59110 and 61596 issued to the Grantee, is hereby and herewith terminated as between the Grantor and Grantee.

3. Grantor's obligation to perform those covenants under B, above, as to which a time limit for performance is stated shall be subject to its ability to perform the same.

with funds currently available therefor, to wit, the sum of One Hundred Forty Thousand Dollars (\$140,000.00).

And in consideration of the foregoing conveyance by and covenants of the Grantor, the Grantee hereby gives, grants, bargains, sells, conveys, releases and relinquishes unto Grantor any and all littoral rights appurtenant to the following shoreline properties of the Grantee, bordering on the land described as Parcel 2 above and upon a portion of Crescent Beach:

1. Any and all littoral rights appurtenant to Lot 85, area 344,453 square feet, as shown on Map 3 filed in the Office of the Assistant Registrar of the Land Court of the Territory of Hawaii with Land Court Application No. 314 of John Ema Estate Trustees, being all of the land described in Transfer Certificate of Title No. 58,110 issued to the Grantee.

2. Any and all littoral rights appurtenant to Lot 3, area 82,473 square feet, as shown on Map 2 filed in the Office of the Assistant Registrar of the Land Court of the Territory of Hawaii with Land Court Application No. 264 of Frances Tasmania Bickerton, being a portion of the land described in Transfer Certificate of Title No. 61,395 issued to the Grantee.

3. Any and all littoral rights appurtenant to that certain parcel of land being all of the land registered in Land Court Application No. 624 of Sophie Cressaty, area 79,595 square feet, as shown on Map 2 filed in the Office of the Assistant Registrar of the Land Court of the Territory of Hawaii with said Land Court Application, being a portion of the land described in Transfer Certificate of Title No. 61,396, issued to the Grantee.

4. Any and all littoral rights appurtenant to that certain parcel of land being all of the land registered in Land Court Application No. 1653 of Associated Hotels (Hawaii) Limited, area 23,303 square feet, as shown on Map 1 filed in the Office of the Assistant Registrar of the Land Court of the Territory of Hawaii with said Land Court Application, being a portion of the land described in Transfer Certificate of Title No. 61,396 issued to the Grantee.

Excepting and reserving, however, from the conveyance of any and all littoral rights under items 2, 3 and 4 above, a perpetual easement for access across the makai (westerly) boundaries of the lands described therein for access to Crescent Beach and the sea; but without including as part of said easement the right to erect or maintain any structure over or upon or to make any excavation in said Crescent Beach abutting said makai boundaries or the sea; said easement being the same easement hereinabove granted by the Grantor to the Grantee.

TO HAVE AND TO HOLD the same together with all rights and privileges belonging or appertaining thereto unto the Grantor, its successors and assigns, forever.

And Grantee for itself, its successors and assigns does hereby release, release and forever discharge Grantor, its successors and assigns of and from any and all manner of action or actions, cause and causes of action, suits, controversies and trespasses, damages, claims and demands of whatsoever kind or nature to, against or in connection with the property of Grantee, hereinabove described, the littoral rights of which are hereinabove conveyed by the Grantee to the Grantor, heretofore claimed or existing, in law or equity, which the Grantee has had by reason of any matter, cause or

thing whatsoever having been done or omitted to be done by the Grantor.

IN WITNESS WHEREOF, the TERRITORY OF HAWAII has caused these presents to be duly executed by Marguerite K. Ashford, its Commissioner of Public Lands, and countersigned by Samuel Wilder King, Governor of Hawaii, A. D. Castro, Chairman, Board of Public Lands of the Territory of Hawaii, and Ben E. Nutter, Chairman, Board of Harbor Commissioners, pursuant to the authority so to do in them vested by the aforesaid Public Law 199, dated August 1, 1955, Chapter 441, 84th Congress, First Session, and all other laws enabling them so to do, and KAISER COMMUNITY HOMES has caused these presents to be executed and its corporate seal to be hereunto affixed by its proper officer in that behalf duly authorized, on the day and year first above written.

TERRITORY OF HAWAII

By Marguerite K. Ashford
Commissioner of Public Lands
Grantor

KAISER COMMUNITY HOMES

By Henry Kana
its Chairman of the Board
Grantee

COUNTERSIGNED:

Samuel Wilder King
Governor, Territory of Hawaii

A. D. Castro
Chairman, Board of Public Lands

Ben E. Nutter
Chairman, Board of Harbor
Commissioners

APPROVED AS TO FORM

Curtis R. Ashford
Special Counsel
OK encl -14-
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EXHIBIT B
Page 14 of 15



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 02-226, CD1, ED1

RESOLUTION

APPROVING A CONCEPTUAL PLAN FOR A PLANNED DEVELOPMENT-RESORT PROJECT FOR THE CONSTRUCTION OF A HIGH-RISE TOWER AND OTHER IMPROVEMENTS AT HILTON HAWAIIAN VILLAGE, WAIKIKI, OAHU.

WHEREAS, the Department of Planning and Permitting (DPP) on May 3, 2002, accepted the application of Hilton Hotels Corporation (File No. 2002/SDD-33), herein referred to as the Applicant, for a Planned Development-Resort Permit (PD-R) to construct a new tower (about 350 feet in height) containing about 350 timeshare/hotel units and support facilities, including a new parking garage with about 120 parking spaces, and other improvements including a new restaurant, wedding chapel, and swimming pool, located at 2005 Kalia Road, Waikiki, Oahu and identified as Tax Map Keys: 2-6-8: 1-3, 5, 7, 12, 19-21, 23, 24, 27, 31, 34, 37, and 38; 2-6-9: 1-3, 7, 9-13 (the "Project"); and

WHEREAS, on June 28, 2002, the DPP held a public hearing on the application which was attended by representatives of the Applicant and its agent, and about 150 other individuals, of whom 48 provided testimony; and

WHEREAS, the conceptual plan for the Project was presented to the DPP's Design Advisory Committee for its recommendations; and

WHEREAS, on July 15, 2002, the DPP, having duly considered all evidence and reports of said public hearing and the review guidelines as established in Sections 21-2.110-2 and 21-9.80-4(d) of the Land Use Ordinance (LUO), completed its report and transmitted its findings and recommendation of approval to the City Council by Departmental Communication No. 680 (2002); and

WHEREAS, the conceptual plan for the Project is set forth in the exhibits attached hereto as Exhibits A through F and Exhibits SMA/PDR-1 through SMA/PDR-19, and is further described in Departmental Communication No. 680 (2002), all of which are incorporated herein by this reference; and



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 02-226, CDI, FD1

RESOLUTION

WHEREAS, the Council, having received the findings and recommendation of DPP on July 15, 2002, and having duly considered the matter, desires to approve the conceptual plan for the Project, subject to the conditions enumerated below; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the conceptual plan for the Planned Development-Resort Project at Hilton Hawaiian Village is approved under the following conditions:

1. The maximum permitted floor area for the Hilton Hawaiian Village (HHV) shall be 3,205,349 square feet or a floor area ratio (FAR) of 3.01, whichever is greater.
2. The maximum permitted encroachment into the transitional height setback for the three Waikikian parcels of HHV (Tax Map Keys 2-6-9: 2, 3 and 10) shall not exceed 18 feet at the mauka-Ewa corner of the proposed high-rise tower.
3. The 25 parcels (tax map keys) of the HHV site, identified herein, shall be considered and treated as one zoning lot for development purposes.
4. The Applicant, at its own expense, shall construct, in coordination with and in compliance with the requirements of all applicable public agencies, the following: (1) improvements to Dewey Lane; (2) signalized intersection at Dewey Lane and Ala Moana Boulevard; (3) pedestrian plaza at the corner of Dewey Lane and Ala Moana Boulevard; and (4) pedestrian walkways and associated areas along Dewey Lane and around the Hilton Lagoon.
5. The Applicant shall be responsible for the maintenance of all constructed improvements not otherwise accepted by the City/State for maintenance.
6. Prior to submitting any building permit applications, the Applicant shall submit REVISED PLANS for DPP review and approval, which include the following:



RESOLUTION

- a. Provide fifteen (15) on-site parking stalls at reduced rates for the general public use;
- b. Provide preliminary plans for an extension of the Waikiki Promenade that encircles the Hilton Lagoon and connects the walkway of the Rainbow Tower to the Ala Wai Boat Harbor parking lot. (The promenade shall contain amenities, i.e., seating areas, drinking fountains, lighting, and landscaped planting strips with irrigation, shade trees, coconut palms, shrubs, and groundcover. The promenade also shall include, and the Applicant shall grant, public access to a restroom facility to be located at the swimming pool or restaurant area along the promenade.); and
- c. Provide preliminary plans for signage for public parking at reduced rates and public beach access fronting and along the Dewey Lane pedestrian walkway.

The Applicant shall implement the revised plans, as approved by DPP.

7. The Applicant shall be responsible for providing a traffic analysis to improve traffic flow along Ala Moana Boulevard and streets surrounding the Hilton Hawaiian Village in an effort to minimize potential congested conditions. Prior to the issuance of any building permit, the Applicant shall obtain the review and written approval from the DPP, Traffic Review Branch, for the requested traffic analysis. The Applicant shall implement all traffic improvements recommended by the approved analysis that mitigate traffic conditions attributable to the Hilton Hawaiian Village.
8. The Applicant shall be responsible for providing a traffic management plan to identify and implement mitigative traffic control measures for events that may cause traffic or parking problems on the surrounding streets. Prior to occupancy, the Applicant shall obtain the review and written approval from the DPP, Traffic Review Branch, for the



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

02-226, CDI, FDI
No. _____

RESOLUTION

traffic management plan. The Applicant shall implement the approved plan.

9. Prior to submitting any building permit applications, the Applicant shall submit to the DPP, for review and approval, permit applications for park dedication and pedestrian and vehicular access easements along Dewey Lane. The Applicant shall implement the dedications and easements.

10. Building permit plans, including REVISIONS, shall be submitted to the DPP for review and approval, and shall include:

- a. Parking plans showing the location of on-site parking stalls for the use of the general public;
- b. Construction plans for a pedestrian walkway with amenities around the Hilton Lagoon; and
- c. Construction plans for public parking at reduced rates and public beach access signs.

The Applicant shall implement the approved plans.

11. Approval of this resolution does not constitute compliance with other Land Use Ordinance or governmental agencies' requirements, including building permit approval. They are subject to separate review and approval. The Applicant shall be responsible for ensuring that the final plans for the Project comply with all applicable Land Use Ordinance and other governmental provisions and requirements. The Applicant shall comply with the park dedication requirements of ROH Chapter 22, Article 7, and for purposes of those requirements the new tower and all units therein shall be considered a "multiple-family development," notwithstanding the subsequent use of any units therein as hotel units.
12. The Project shall receive a building permit for the proposed development within five years of the date of this resolution. Failure to obtain a building permit within this



RESOLUTION

period shall render null and void this resolution and all approvals issued hereunder, provided that this period may be extended as follows: The Director of Planning and Permitting may extend this deadline if the Applicant demonstrates good cause, but the deadline shall not be extended beyond one year from the initial deadline without the approval of the City Council, which may grant or deny the approval in its complete discretion. If the Applicant requests an extension beyond one year from the initial deadline and the Director finds that the Applicant has demonstrated good cause for the extension, the Director shall prepare and submit to the Council a report on the proposed extension, which report shall include the Director's findings and recommendations thereon and a proposed resolution approving the extension. The Council may approve the proposed extension or an extension for a shorter or longer period, or deny the proposed extension, by resolution. If the Council fails to take final action on the proposed extension within the first to occur of: (i) 60 days after receipt of the Director's report; or (ii) the Applicant's then-existing deadline for obtaining a building permit, the extension shall be deemed to be denied.

13. The Project shall conform to the conceptual plan approved hereby and all conditions established herein. Any change to the conceptual plan shall require a new application and approval by the Council. The Director of Planning and Permitting may approve changes to the Project that do not significantly alter the size or nature of the Project, if the changes remain in conformance with the conceptual plan and the conditions herein.

BE IT FURTHER RESOLVED that the Council finds as follows with respect to the conceptual plan for the Project, as conditioned herein:

1. The project concept, as a unified plan, is in the general interest of the public;



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. **02-226, CD1, FD1**

RESOLUTION

2. Requested project boundaries and design flexibility to exceed the density (floor area) standards and encroach into the precinct transitional height setbacks are consistent with the Waikiki Special District objectives set forth in ROH Section 21-9.80-1 and the provisions of ROH Sec. 21-9.80-4(d);
3. Requested flexibility to exceed the density (floor area) standards and encroach into the precinct transitional height setbacks is commensurate with the public amenities proposed; and
4. The public amenities proposed will produce timely, demonstrable benefits to the community and the stability, function, and overall ambiance and appearance of Waikiki.
5. There is no conflict with the visitor unit limits for Waikiki as set forth under ROH Chapter 24.

RESOLUTION

BE IT FINALLY RESOLVED by the Council of the City and County of Honolulu that the Clerk be and is directed to transmit copies of this resolution to the Department of Planning and Permitting; Department of Transportation Services; Department of Land and Natural Resources, Division of Boating and Ocean Recreation; 333 Queen Street, Suite 300, Honolulu, Hawaii 96813; Department of Transportation, Highways Division, 869 Punchbowl Street, Honolulu, Hawaii 96813; and Hilton Hawaiian Village, 2005 Kalia Road, Honolulu, Hawaii 96815.

INTRODUCED BY:

John DeSoto (BR)

DATE OF INTRODUCTION:

July 17, 2002

Honolulu, Hawaii

Councilmembers

(OCS/080602/ct)

7

CITY COUNCIL CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

I hereby certify that the foregoing RESOLUTION was adopted by the COUNCIL OF THE CITY AND COUNTY OF HONOLULU on the date and by the vote indicated to the right.

ATTEST:

GENEVIEVE G. WONG
CITY CLERK

JOHN DeSOTO
CHAIR AND PRESIDING OFFICER

Dated 8/7/02

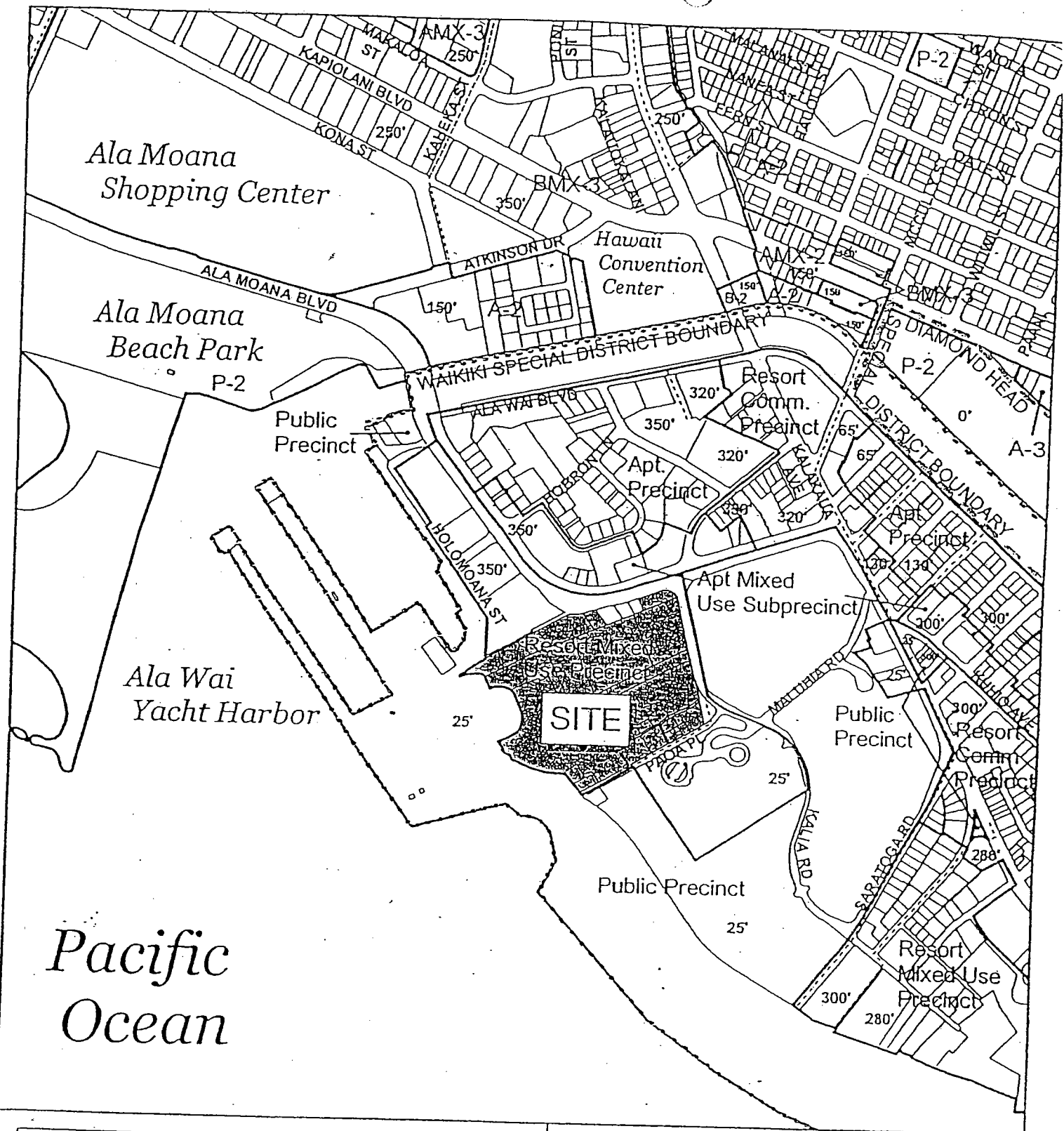
ADOPTED MEETING HELD			
8/7/02			
	AYE	NO	A/E
BAINUM	X		
BUNDA	X		
CACHOLA	X		
DeSOTO	X		
FELIX	X		
HOLMES	X		
KOBAYASHI	X		
OKINO	X		
YOSHIMURA	X		

Reference:

Report No. Z-382

Resolution No.

02-226, EXHIBIT C
CD1, FD1 Page 7 of 31



VICINITY MAP



800 0 800 Feet

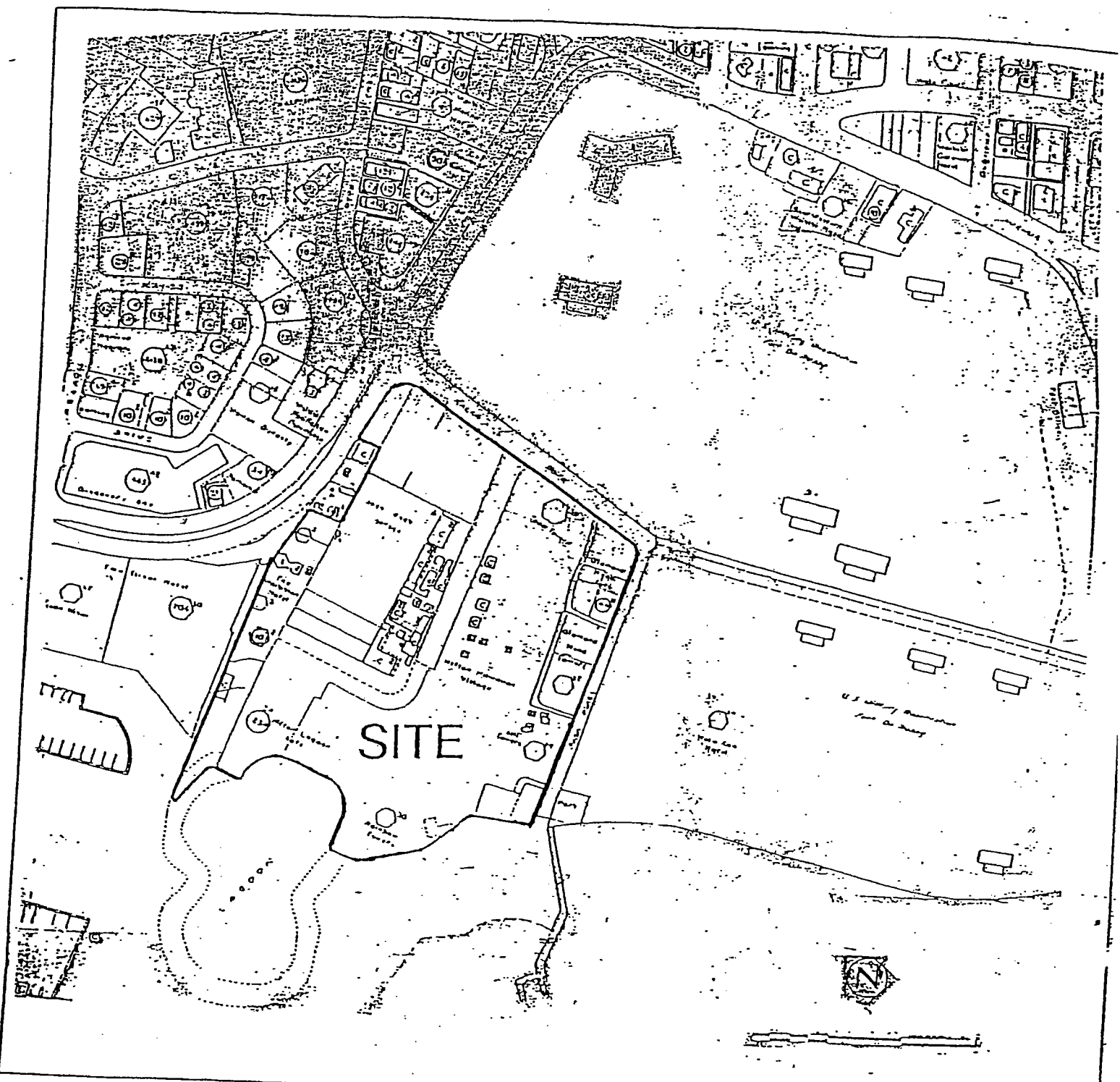
1 INCH = 800 FEET



ZONING MAP WAIKIKI EXHIBIT B

TAX MAP KEYS: 2-6-8: 1-3, 5, 7, 12, 19-21,
23, 24, 27, 31, 34, 37, 38
2-6-9: 1-3, 7, 9, 10-13

FOLDER NO.: 2002/SMA-19 & 2002/SDD-33



LEGEND

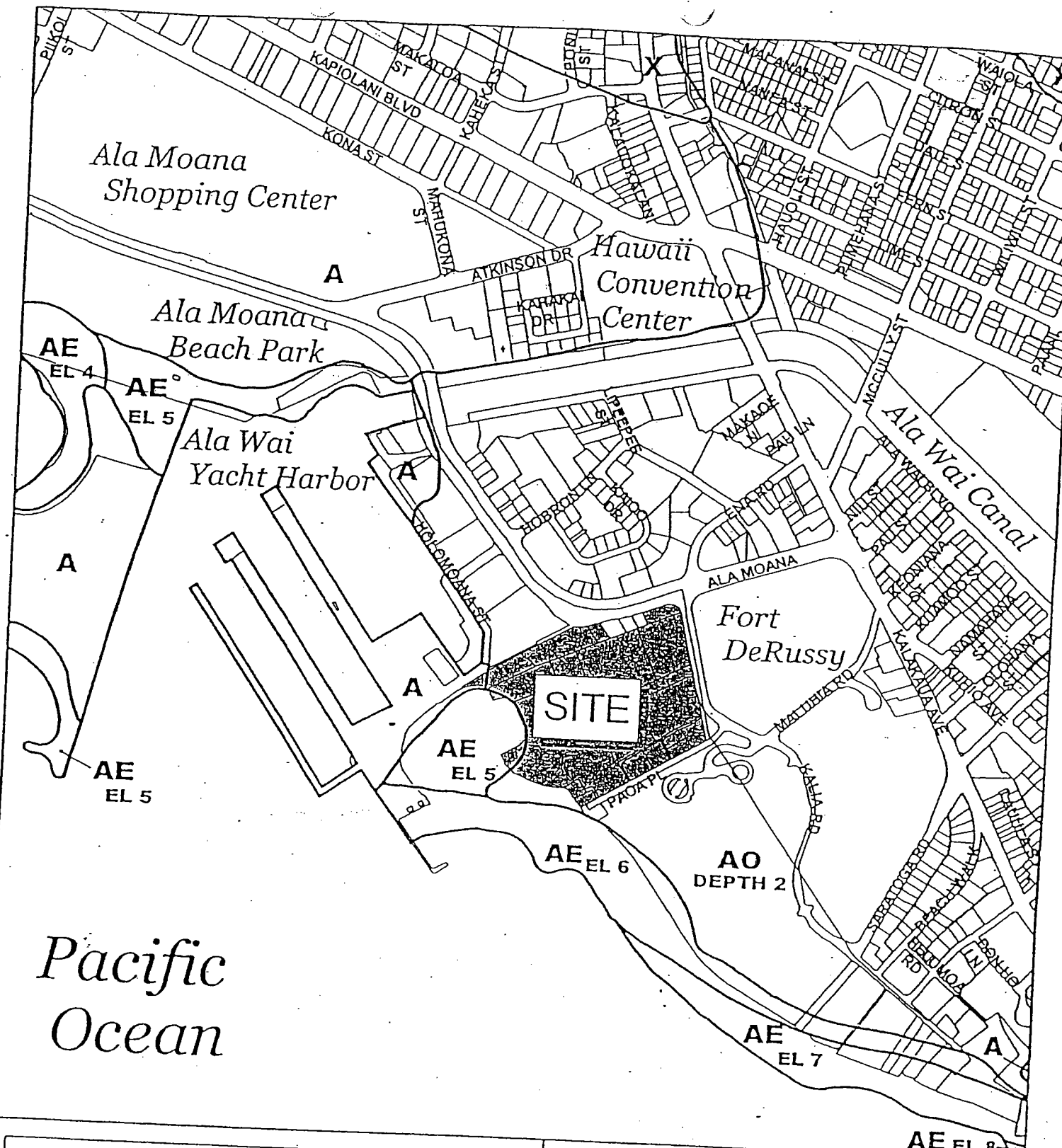
RESIDENTIAL		QUASI-PUBLIC FACILITIES
SINGLE-FAMILY		PARKS & RECREATION
TWO-FAMILY		CEMETERY
MULTI-FAMILY		TRANSPORTATION
CONDO-HOTEL		UTILITIES
HOTEL		MILITARY
COMMERCIAL		VACANT
INDUSTRIAL		UNDER CONSTRUCTION
AGRICULTURAL		
PUBLIC FACILITIES		

PORTION OF LAND USE MAP WAIKIKI - DIAMOND HEAD

EXHIBIT C

EXHIBIT C
Page 10 of 31

TAX MAP KEYS: 2-6-8: 1-3, 5, 7, 12, 19-21,
23, 24, 27, 31, 34, 37, 38
2-6-9: 1, 2, 7, 8, 10, 11, 13, 14, 15, 16, 17, 18, 22, 25, 26, 28, 29, 30, 32, 33, 35, 36, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100



VICINITY MAP



800 0 800 Feet

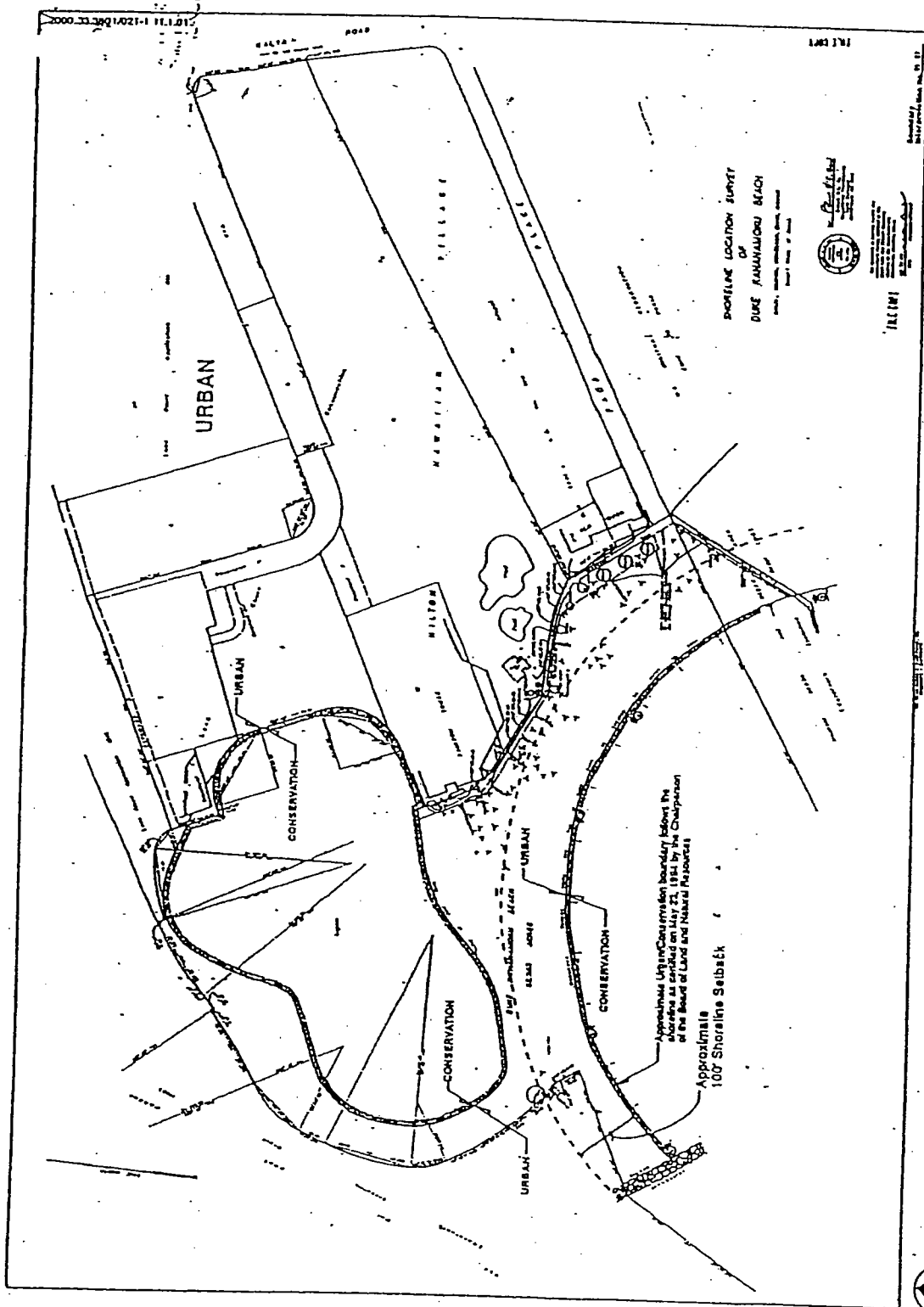
1 INCH = 800 FEET

FLOOD ZONE MAP WAIKIKI EXHIBIT E

TAX MAP KEYS: 2-6-8: 1-3, 5, 7, 12, 19-21,
23, 24, 27, 31, 34, 37, 38
2-6-9: 1-3, 7, 9, 10-13

FOLDER NO.: 2002/SMA-19 & 2002/SDD-33

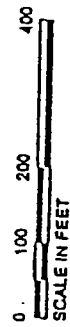
EXHIBIT C
Page 11 of 31



STATE LAND USE DISTRICTS (Boundary Interpretation 95 07)
Revised Figure 1-4

Honolulu Hawaiian Village Waikiki Development Plan
Prepared by Bell Collins Hawaii
October 2001

EXHIBIT F



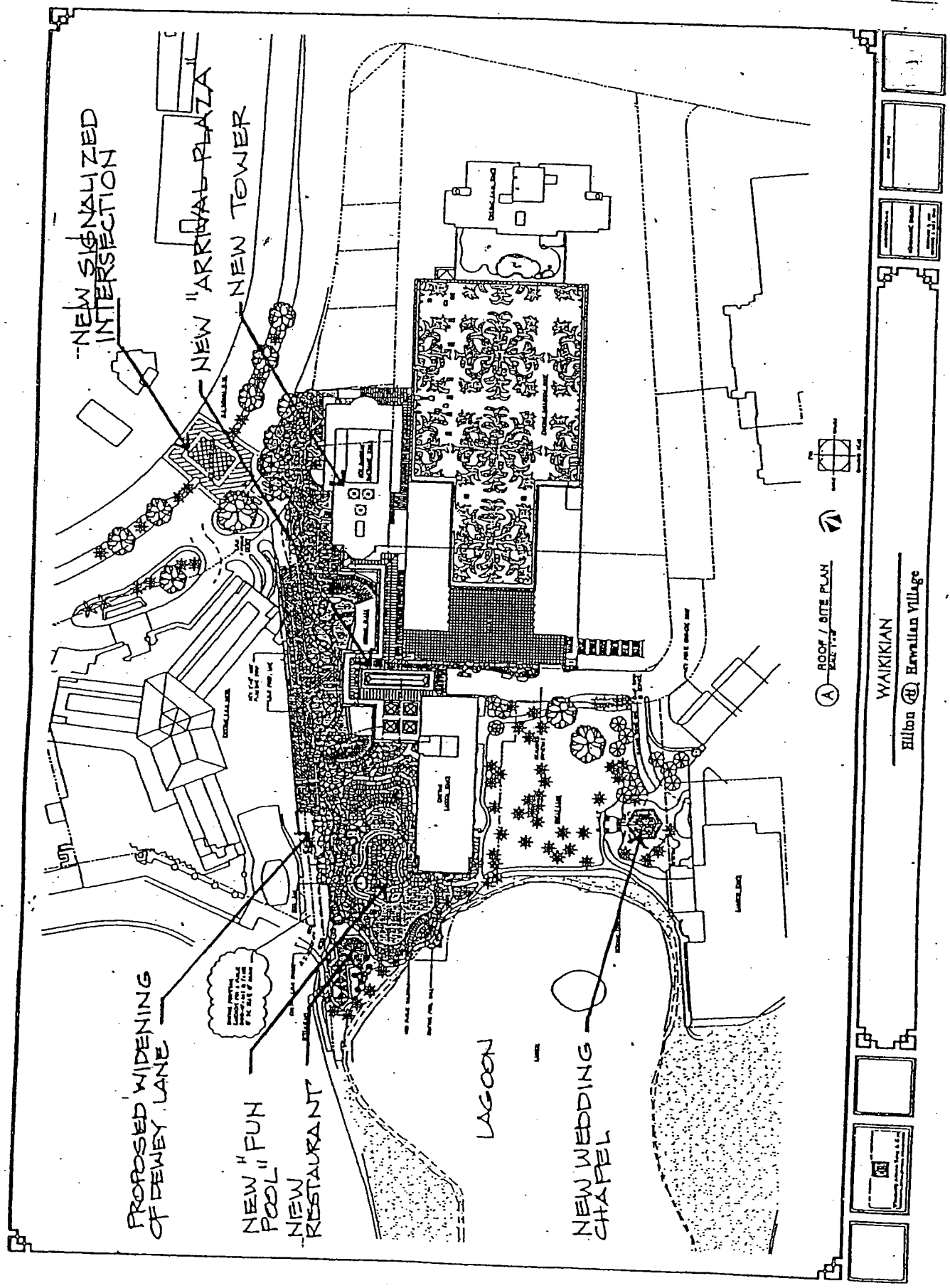
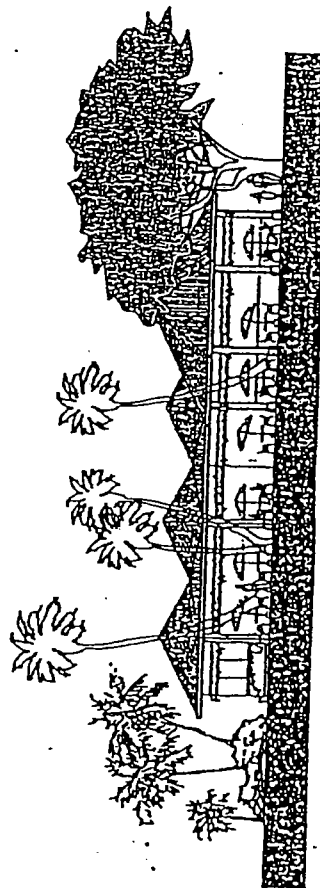
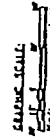


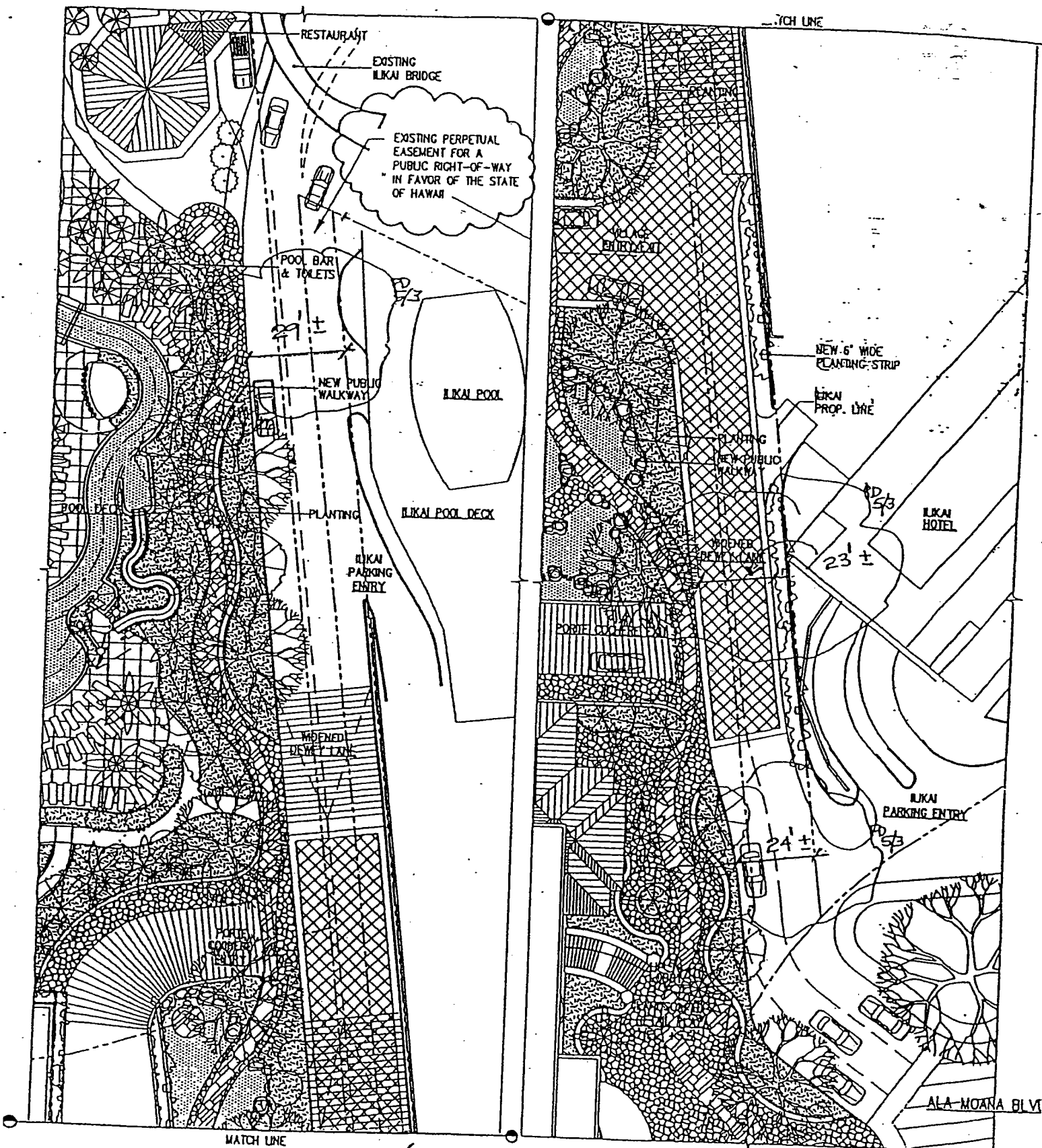
EXHIBIT C



1 RESTAURANT ELEVATION
EAST WING

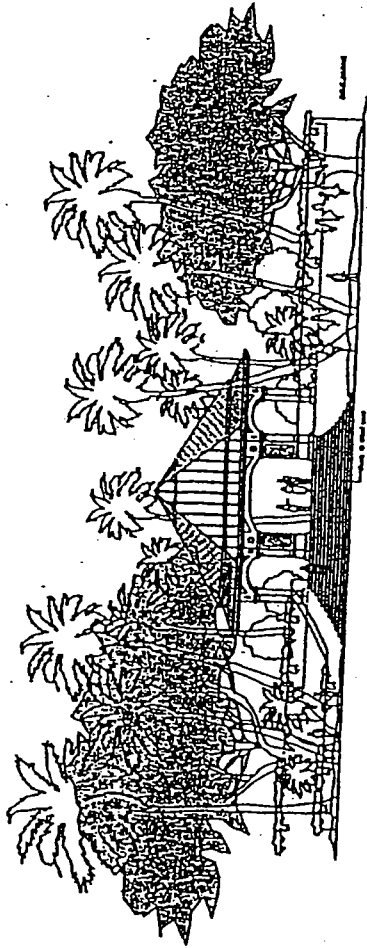
WAIKIKIAN
Hilton Hawaiian Village



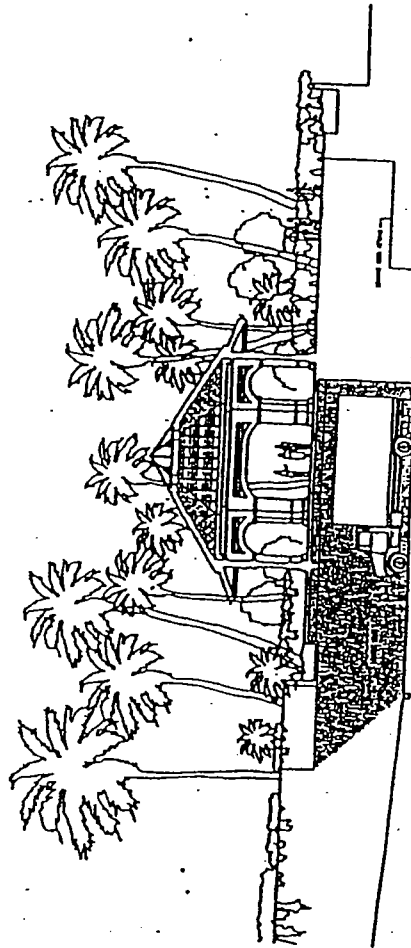


(PROPOSED)
NEW DEWEY LANE PLAN

SCALE: 1"=40'



① WEDDING CHAPEL ELEVATION
EAST ELEVATION



② WEDDING CHAPEL SECTION
EAST SECTION

WAIKIKIAN

Hilton Hawaiian Village

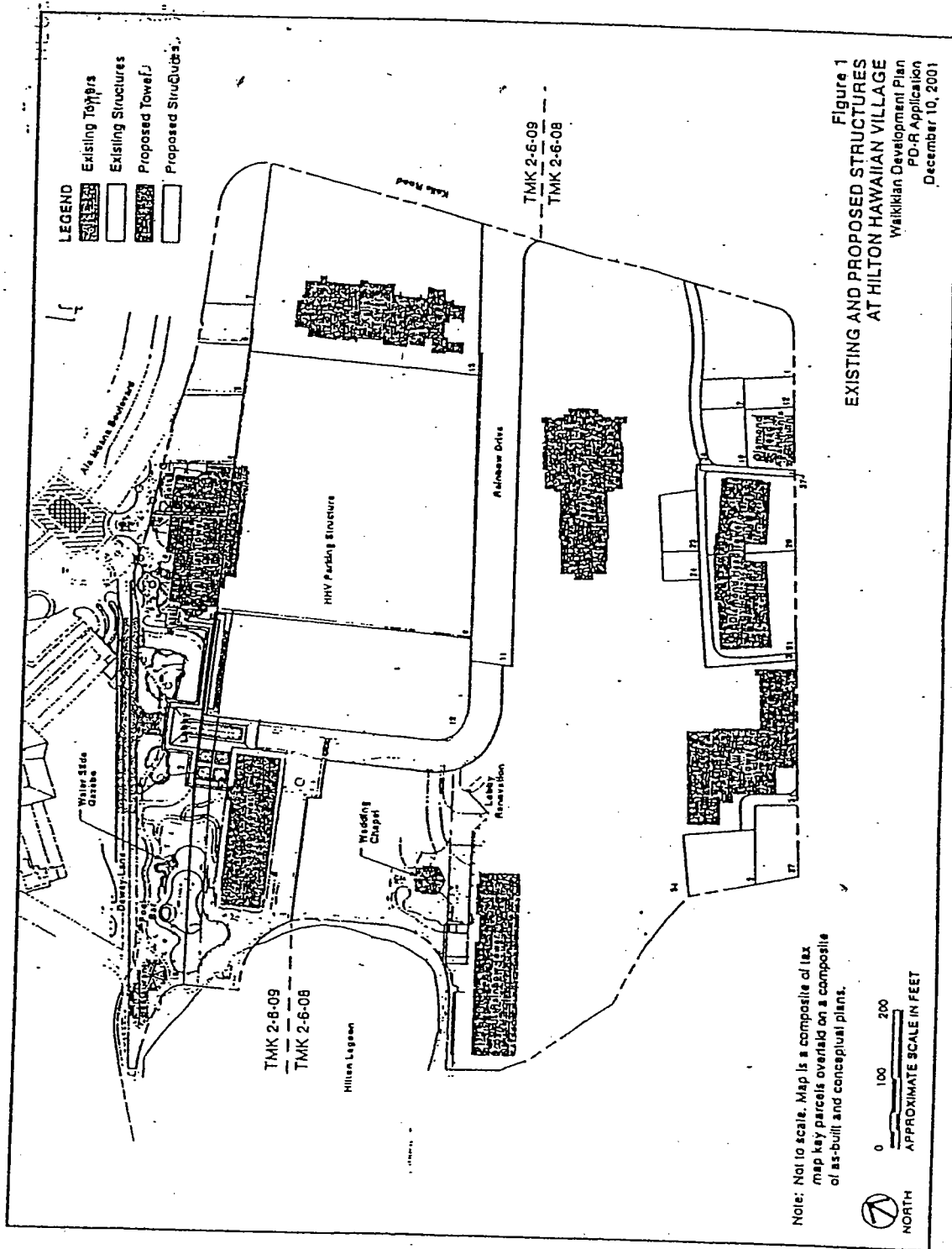


EXHIBIT SMA/PDR-7

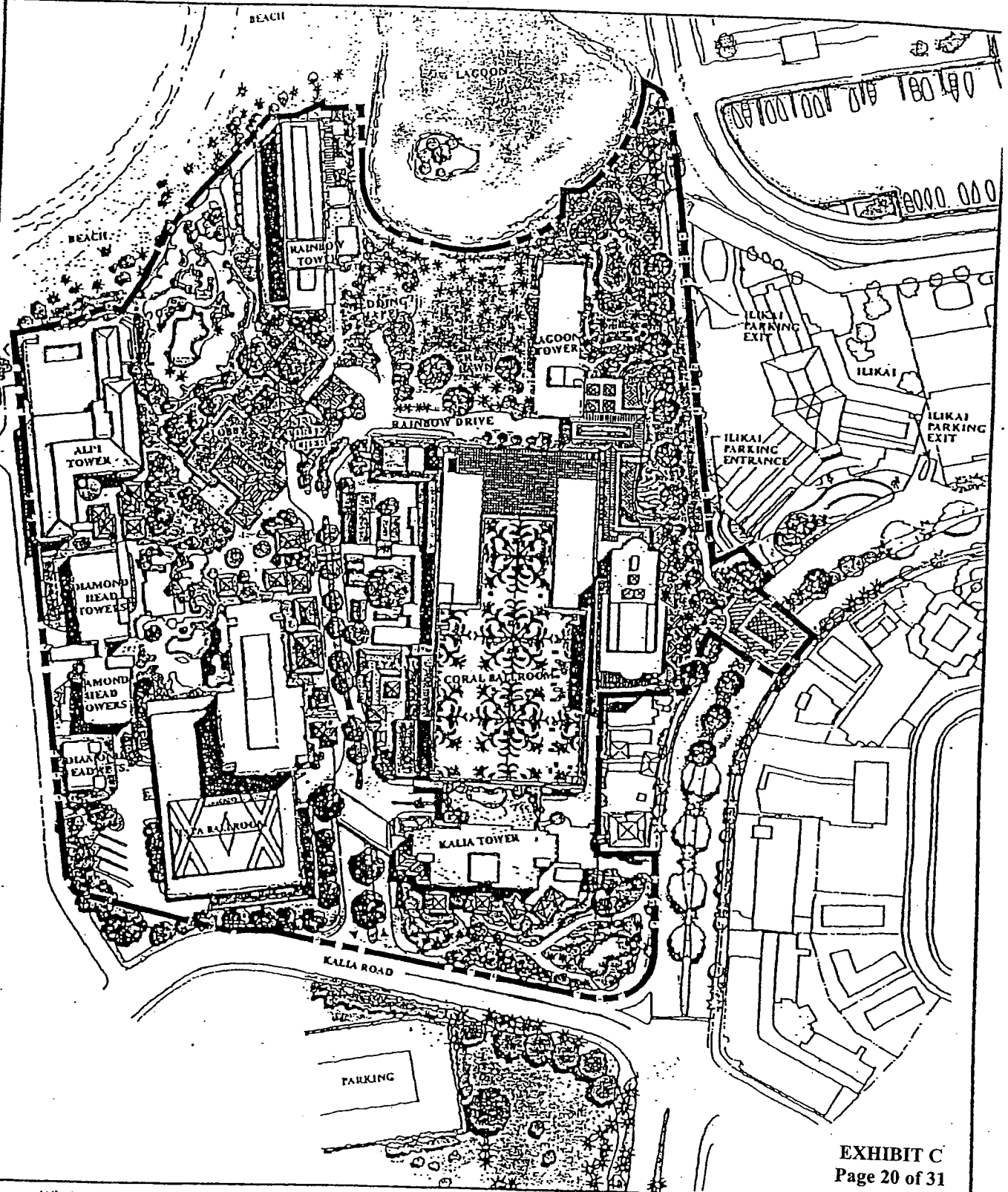
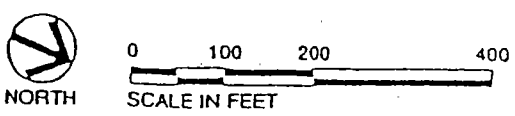


EXHIBIT C
Page 20 of 31

Source: Wimberly Allison Tong & Goo



Revised Figure 2-4
WAIKIKIAN SITE PLAN MITIGATIVE ALTERNATIVE

Hilton Hawaiian Village Waikikian Development Plan
Prepared by Belt Collins Hawaii
Revised May 2002

AREA SUMMARY - MITIGATIVE ALTERNATIVE

COST CENTER NOS.		DESCRIPTION	NO. OF. MOOS	NET SF	BUILDING AREA	F.A.R. SF	NON F.A.R. SF
A		TOWER					
		GUEST UNITS & BALCONIES					
	103	1-BR UNITS (02 MOOS) 30%	357.5 X 206	715.00	73,645.00	73,645.00	0.00
	228	2-BR UNITS (03 MOOS) 67%	344.5 X 684	1,033.50	235,838.00	235,838.00	0.00
	10	3-BR UNITS (04 MOOS) 3%	344.5 X 40	1,378.00	13,780.00	13,780.00	0.00
		SUB TOTAL			323,063.0	323,063.00	0.00
	341	TOTAL GUEST UNITS					0.00
		BALCONIES			32,463	0	32,463
		ELEVATOR SHAFTS			23,300	23,300	0
		GROUND FLOOR ELEVATOR SHAFTS			700	700	0
		HAIR/SERVICE/CIRCULATION (tower only)			70,154	70,154	0
		STAIRS (Tower/lobby & parking levels)			15,783	15,783	0
		LOBBY/LOUNGE (incl. Concierge, Circ. & Parking Elev lobbies)			7,605	7,605	0
		GROUND PUBLIC CIRCULATION Incl. Ext. Stairs			5,187	5,187	0
		MECHANICAL (at roof)			2,080	2,080	0
		BOH/ STORAGE AT PARKING LEVELS			20,134	20,134	0
		ADMIN OFFICES			2,313	2,313	0
		GENERATOR			403	403	0
		MECHANICAL (Assumes Stand Alone Plant)			4,979	4,979	0
		LOADING/TRUCK DOCK			1,487	1,487	0
		BOH /SERVICE CIRCULATION			1,681	1,681	0
		SERVICE DRIVEWAY			7,987	0	7,987
		TOWER SUB TOTAL			319,299		
B		PARKING			49,884	0	49,884
C		COMMON PORTE COCHERE/ARRIVAL PLAZA					
		PORTE COCHERE			2,051	0	2,051
		COVERED WALKWAY			7,384	7,384	0
		FRONT DESK/OFFICE			1,357	1,357	0
		PORTE COCHERE SUBTOTAL			10,792		
D		RETAIL SHOPS					
		RETAIL SHOPS (Excl. Sundry Shop)			7,553	7,553	0
		SUNDARY SHOP (at lobby level)			1,571	1,571	0
		RETAIL SHOPS SUBTOTAL			9,124		
E		RESTAURANT					
		RESTAURANT (incl Pool Bar)			2,500	2,500	0
F		SITEWORK					
		WEDDING CHAPEL			1,200	1,200	0
		SUBTOTAL			592,799	500,414	92,385
		Undefined Area (10%)				50,041	
		TOTAL				550,455	
		REQUIRED PARKING					
		Units: (0.25 stall per unit)	341	0.25	85.25		
		Retail (1 stall per 800sf)	9,124	800	11.41		
		Restaurant (1stall per 800sf)	2,500	800	3.13		
		Admin Office (1 stall per 800 sf)	2,313	800	2.89		
		Front Office (1 stall per 800sf)	1,357	800	1.70		
		Total Required Parking			104.37 say 106 stalls		
		NEW PARKING	120				

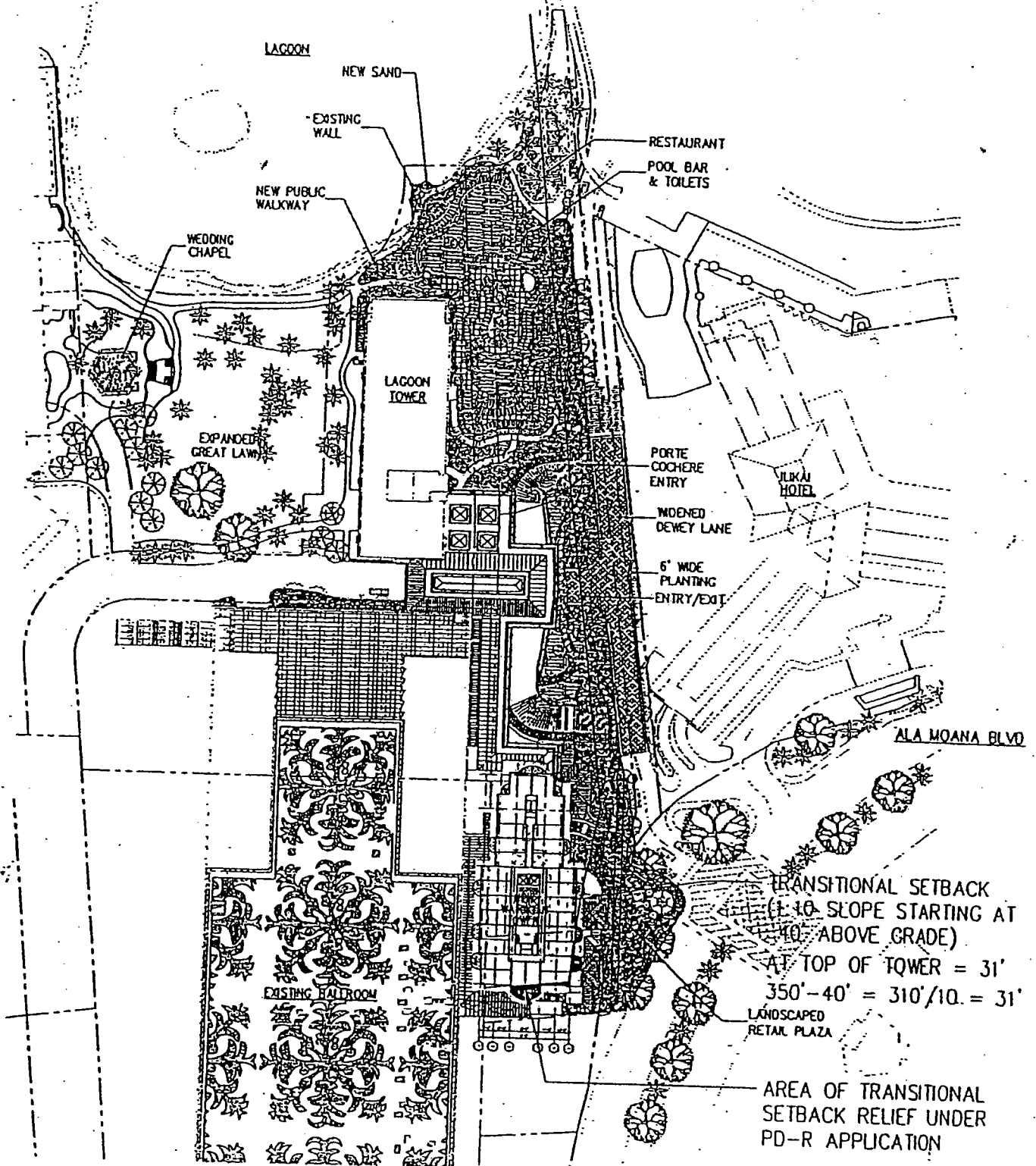
Waikikian + HHV Parcels

FAR Calculation

09-Apr-02

Description	TMK	Land Area (sf)	Land Area (sf)	Floor Area (sf)
Alii Tower			16,697	254,488
Alii Tower	2-6-08:05	8,121		
Alii Tower	2-6-08:27	6,584		
Alii Tower	2-6-08:31	1,992		
Diamond Head Apts			32,554	33,750
Diamond Head Apts	2-6-08:01	14,653		
Diamond Head Apts	2-6-08:02	5,900		
Diamond Head Apts	2-6-08:07	2,618		
Diamond Head Apts	2-6-08:12	3,126		
Diamond Head Apts	2-6-08:19	4,940		
Diamond Head Apts	2-6-08:37	1,317		
Diamond Head Tower			39,597	230,897
Diamond Head Tower	2-6-08:03	4,665		
Diamond Head Tower	2-6-08:20	14,360		
Diamond Head Tower	2-6-08:21	18,215		
Diamond Head Tower	2-6-08:24	2,157		
Kalia Tower			90,530	355,488
Kalia Tower	2-6-09:07	13,281		
Kalia Tower	2-6-09:13	77,249		
Lagoon Tower	2-6-09:01		70,000	286,110
Parking/CB & Rainbow Bazaar	2-6-09:09		131,645	137,754
Parking/CB				93,992
Rainbow Bazaar				43,762
Parking/CB & Rainbow Bazaar	2-6-09:12		56,428	0
Roadway	2-6-09:11		37,984	0
Tapa Tower, Rainbow Tower, Entry Building, Louis Vitton, & Retail Shops	2-6-08:34		394,518	1,350,575
Tapa Tower				947,364
Rainbow Tower				370,301
Entry Building				26,000
Louis Vitton				3,502
Retail Shops				3,408
Tapa Tower/Diamond Head Tower	2-6-08:23		4,340	0
Tapa Tower/Diamond Head Tower	2-6-08:38		3,751	0
Subtotal			878,044	2,649,062
Total (HHV)			878,044	2,648,602
Waikikian	2-6-9:10		29,374	550,455
	2-6-9:2		45,105	
	2-6-9:3		8,080	
Subtotal (Waikikian)			82,559	550,455
TOTAL			980,603	3,199,057
1/2 ROW Kalia Bonus			69,580	0
1/2 ROW Ala Moana, Dewy, Halomoana Bonus			34,716	0
GRAND TOTAL			1,084,899	3,199,057
FAR Multiplier				3.0041

EXHIBIT SMA/PDR-11



TRANSITIONAL SETBACK

SCALE: 1/128" : 1'-0"

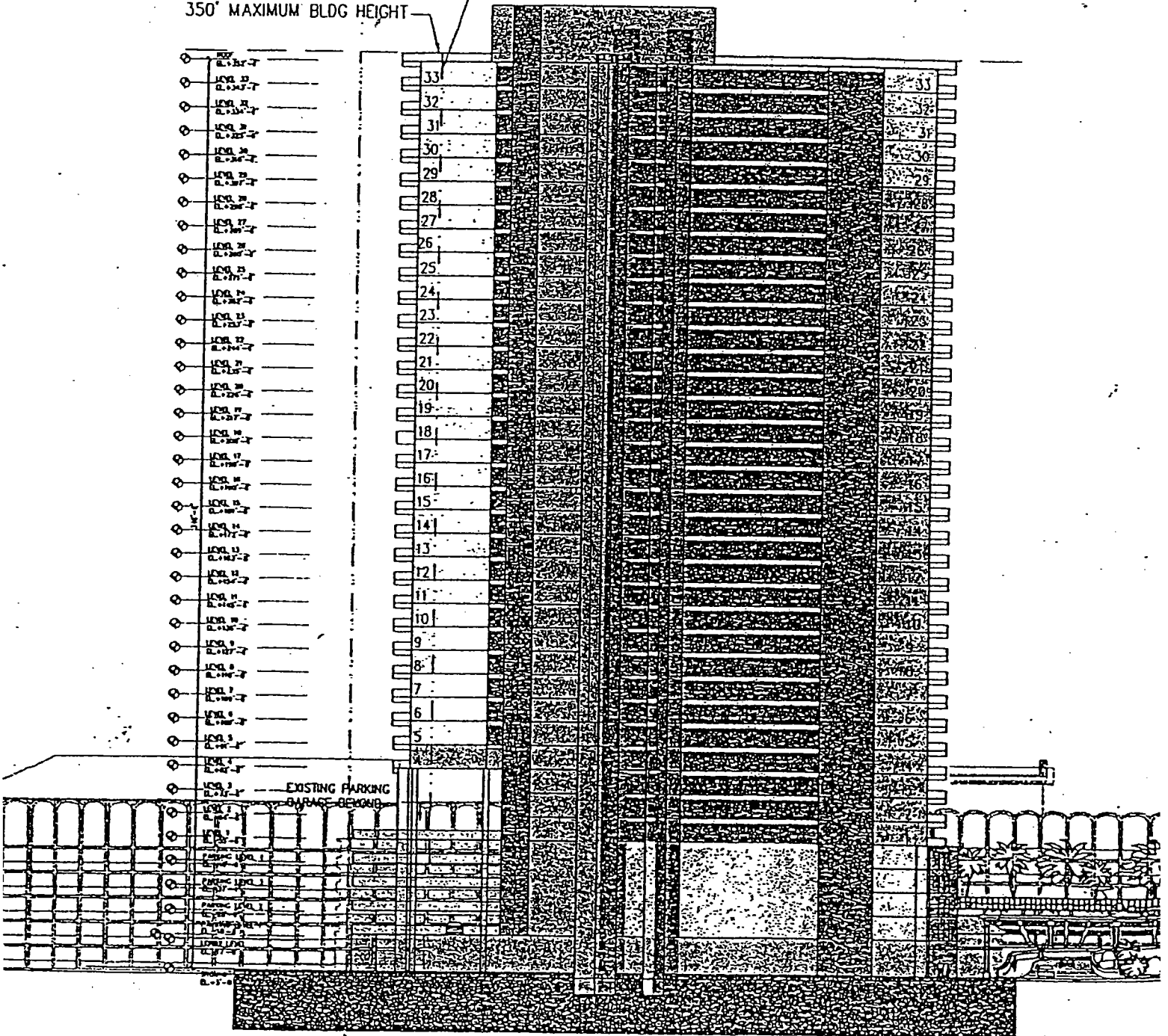
EXHIBIT C
Page 24 of 31

EXHIBIT SMA/PDR-12

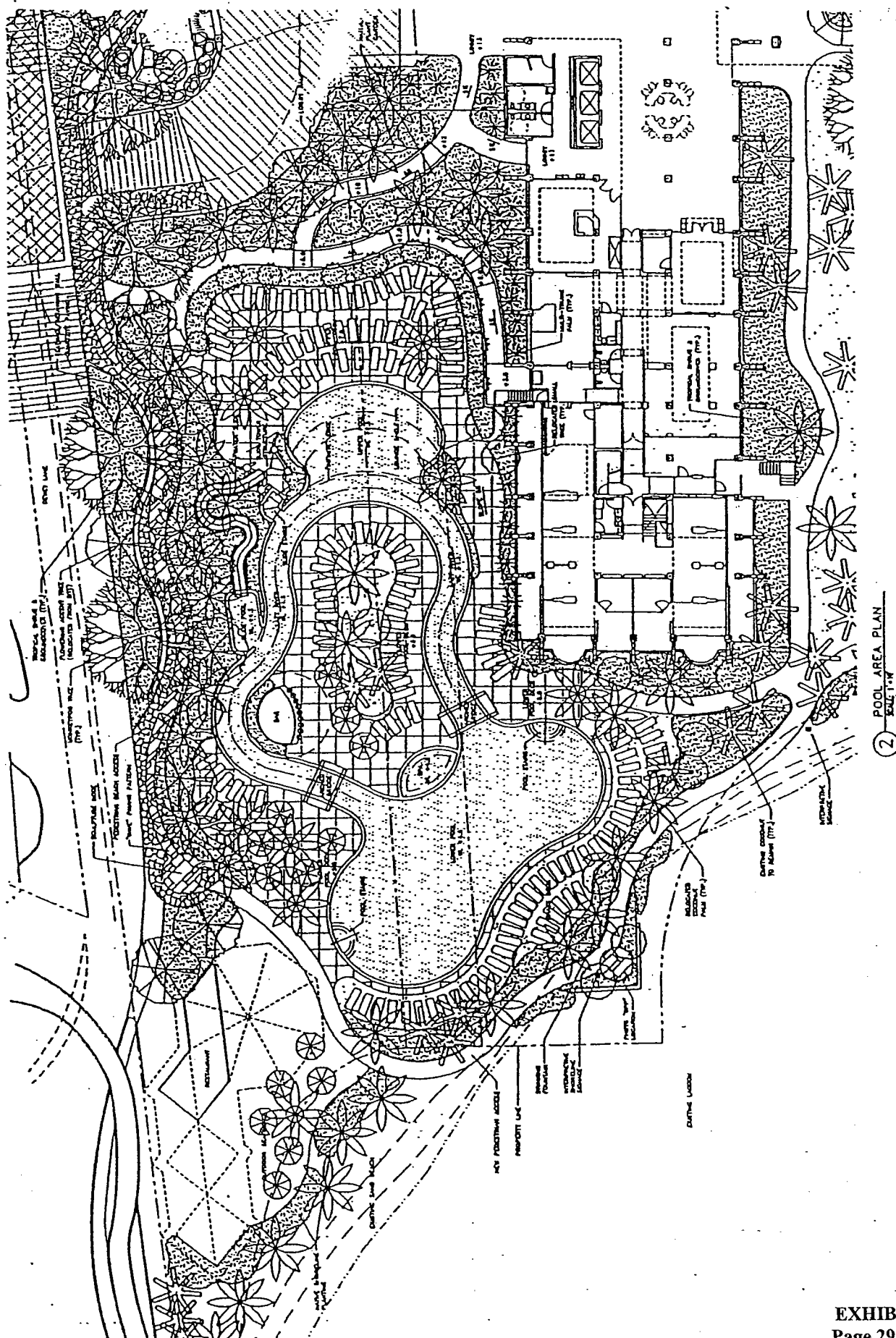


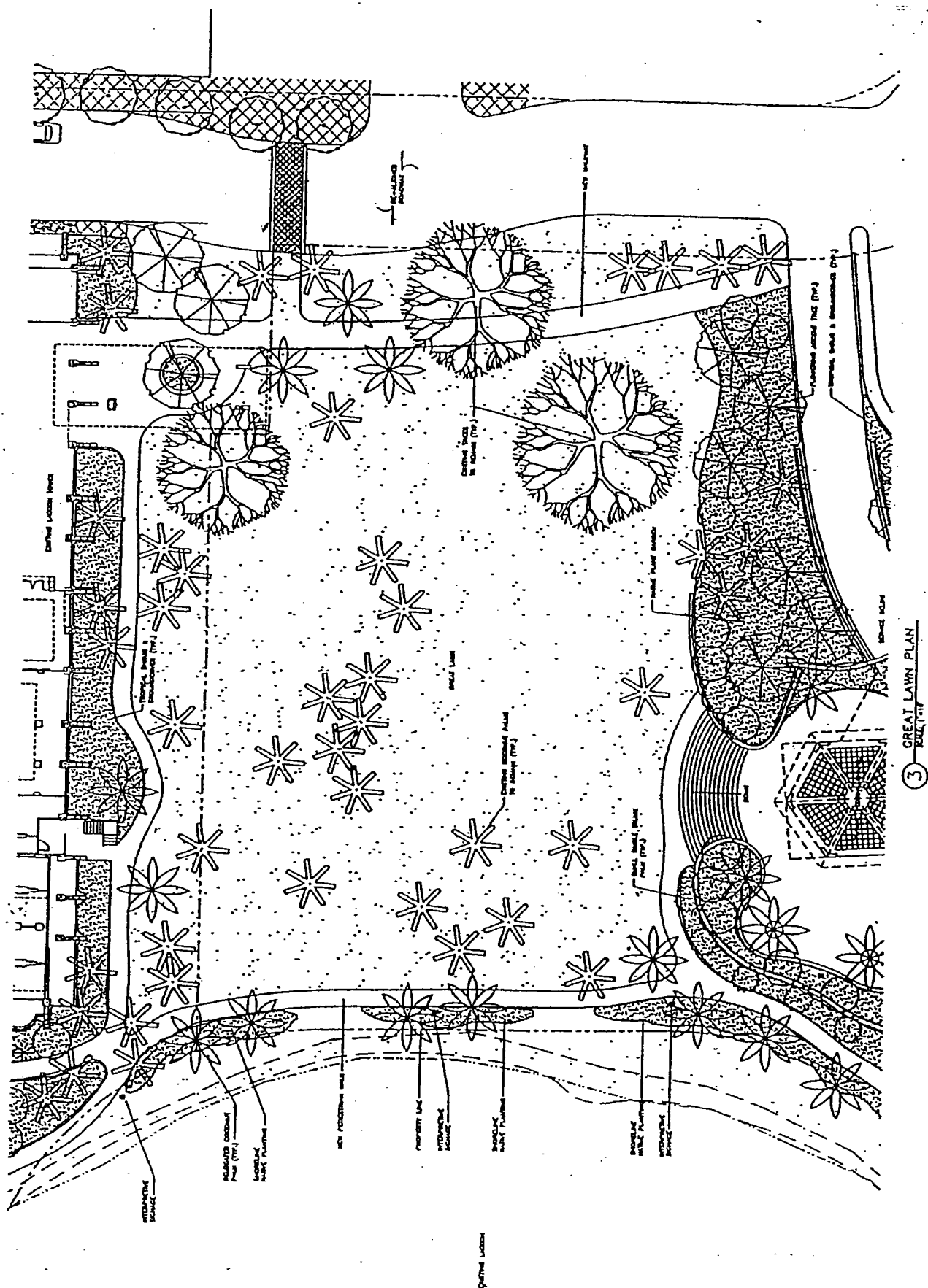
ADDITIONAL HEIGHT
SETBACK-WAIKIKI
PER LUO FIG. 21-9.2
AT MAUKA EDGE
OF BUILDING

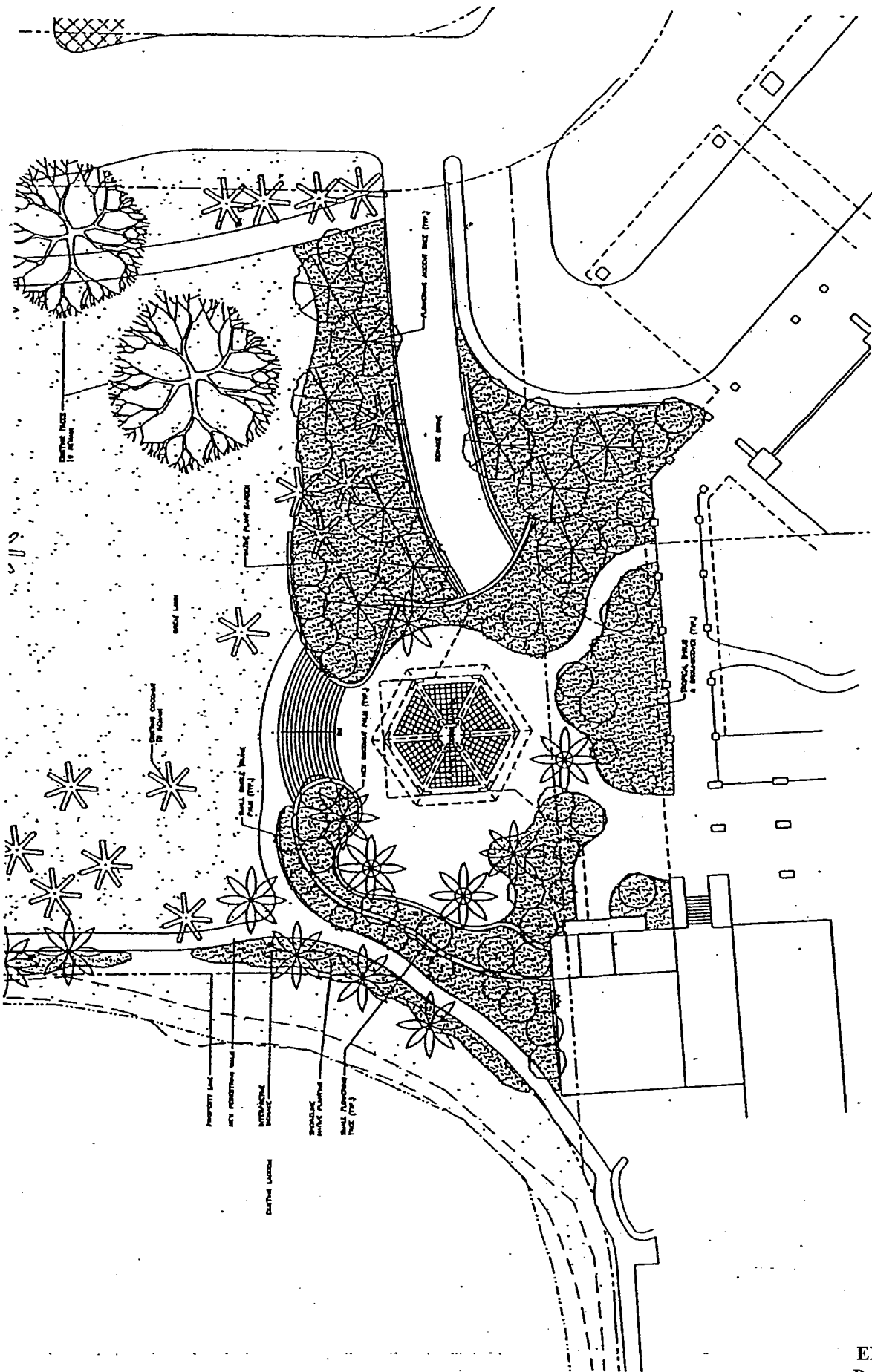
350' MAXIMUM BLDG HEIGHT



PROPERTY LINE







4 WEDDING CHAPEL PLAN



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

02-225, CD1

No. _____

RESOLUTION

GRANTING A SPECIAL MANAGEMENT AREA USE PERMIT FOR CONSTRUCTION OF A HIGH-RISE TOWER AND OTHER IMPROVEMENTS AT HILTON HAWAIIAN VILLAGE, WAIKIKI, OAHU.

WHEREAS, the Department of Planning and Permitting (DPP) on May 3, 2002 accepted the application (File No. 2002/SMA-19) of Hilton Hotels Corporation, herein referred to as the Applicant, for a Special Management Area Use Permit (SMP) for construction of a new tower (about 350 feet in height) containing about 350 timeshare/hotel units and support facilities, including a new parking garage with about 120 parking spaces, and other improvements including a new restaurant, wedding chapel, and swimming pool, located at 2005 Kalia Road, Waikiki, Oahu, and identified as Tax Map Keys 2-6-8: 1-3, 5, 7, 12, 19-21, 23, 24, 27, 31, 34, 37, and 38; and 2-6-9: 1-3, 7, and 9-13; and

WHEREAS, on June 28, 2002, the DPP held a public hearing which was attended by representatives of the Applicant and its agent, and about 150 other individuals, of whom 48 provided testimony; and

WHEREAS, on July 15, 2002, within 10 working days after the close of the public hearing, the DPP, having duly considered all evidence and the review guidelines as established in Sections 25-.1 and 25-3.2, Revised Ordinances of Honolulu (ROH), completed its report and transmitted its findings and recommendation of approval to the Council; and

WHEREAS, the City Council, having received the findings and recommendation of the DPP on July 15, 2002, and at its meeting of August 7, 2002, having duly considered all of the findings and reports on the matter, approved the subject application for an SMP with the conditions enumerated below; now, therefore,



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

02-225, CD1

No. _____

RESOLUTION

BE IT RESOLVED by the Council of the City and County of Honolulu that an SMP be issued to the Applicant under the following conditions:

- A. Prior to or at the time of application for any development permits, the Applicant shall obtain written verification from the following entities:
1. The Department of Planning and Permitting (DPP) Wastewater Branch, confirming that the sewer system is adequate for the proposed project.
 2. The State Department of Transportation (DOT), confirming DOT's receipt, review, and acceptance of an evaluation of the adequacy of the existing drainage culvert (identifying the location of culvert).
 3. The State Department of Business, Economic Development and Tourism (DBEDT), confirming their receipt and review of proposed plans for energy conservation and recycling relative to the proposed development.
 4. The Board of Water Supply (BWS), confirming that the Applicant has coordinated with the BWS to research the availability of nonpotable water for irrigation, to maximize the use of drought-tolerant/low water use plants in all landscape plans, and to design an efficient irrigation system.

The above written documentation shall be attached to all development permit applications.

- B. Applications for development permits shall be referred for sign-off to the following entities:
1. The Board of Water Supply and Honolulu Fire Department (HFD) to ensure that the project conforms to these departments' standards regarding the design of the water system, appurtenances, hydrant spacing, fire flow, and HFD access road standards.



RESOLUTION

2. The Gas Company to minimize any potential conflicts with the existing gas facilities in the area.
 3. The Civil Engineering Branch of the DPP to ensure that wash water in the outdoor commercial plaza area shall be routed to a drywell or to the sanitary sewer with the proper valving to route the storm water runoff (except for first flush) to the storm drainage system.
- C. Within 2 years from the date of approval of this SMA permit, the Applicant shall submit a detailed plan and timetable for the restoration of the lagoon to a safe and sanitary body of water, and shall include a detailed maintenance plan, to ensure that the lagoon will remain in compliance with State water quality requirements. Changes/additions to the piping/pumping system and/or other measures shall be proposed in order to restore and ensure continued maintenance of the lagoon water at a high quality level, in accordance with State standards. If restoration of the lagoon is infeasible, the Applicant shall submit a detailed plan and proposal to the DPP (including a timetable) for filling the lagoon and widening the beach. The same deadline (i.e., within 2 years from this approval) shall apply.
- The Applicant shall implement the approved plan within 3 years of the date of the approved lagoon restoration and maintenance plan, and implementation shall not exceed 5 years from the date of approval of this SMA permit.
- D. Prior to or at the time of application for any development permits, and prior to beginning any ground disturbance, the Applicant shall provide the DPP with written documentation from the State Department of Land and Natural Resources, Historic Preservation Division (SHPD), confirming the SHPD's receipt and review of an acceptable archaeological monitoring plan. The Applicant shall consult with the SHPD regarding the specifications which must be contained in the plan.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

02-225, 6D1

No. _____

RESOLUTION

- E. Because the site is within a tsunami inundation area, building permit plans shall include written confirmation from the State Department of Defense that they have reviewed and accepted the location of a 24-hour manned office and an Emergency Alert System (EAS) receiver.
- F. If, during construction, any previously unidentified archaeological sites or remains (such as artifacts, shell, bone, or charcoal deposits, human burials, rock or coral alignments, pavings, or walls) are encountered, the Applicant shall stop work and immediately contact the State DLNR Historic Preservation Division (SHPD) and the Oahu Burial Council in writing. Work in the immediate area shall be stopped until the SHPD is able to assess the impact and make further recommendations as to mitigative activity.
- G. Approval of this Special Management Area Use Permit does not constitute compliance with other Land Use Ordinance or governmental agencies' requirements, including building permit approval. They are subject to separate review and approval. The Applicant shall be responsible for ensuring that the final plans for the project approved under this permit comply with all applicable Land Use Ordinance and other governmental provisions and requirements.
- H. The Applicant shall receive a development permit within 5 years of the date of this permit. Failure to obtain a development permit within this period shall render this permit null and void, provided that this period may be extended as follows: The Director of Planning and Permitting may extend this period if the Applicant demonstrates good cause, but the period shall not be extended beyond one year from the initial deadline without the approval of the City Council, which may grant or deny the approval in its complete discretion. If the Applicant requests an extension beyond one year from the initial deadline and the Director finds that the Applicant has demonstrated good cause for the extension, the Director shall prepare and submit to the Council a report on the



RESOLUTION

proposed extension, which report shall include the Director's findings and recommendations thereon. The Council may approve the proposed extension or an extension for a shorter, or longer period, or deny the proposed extension, by adoption of a committee report or resolution. If the Council fails to take final action on the proposed extension within the first to occur of (i) 60 days after receipt of the Director's report or (ii) the Applicant's then-existing deadline for obtaining a development permit, the extension shall be deemed to be denied.

- I. Construction shall be in general conformity with the plans on file with the Department of Planning and Permitting (date/time stamped May 3, 2002, and labeled as Exhibits SMA/PDR-1 through 7). Any change in the size or nature of the project which has a significant effect on coastal resources addressed in Chapter 25, ROH, shall require a new application. Any change which does not have a significant effect on coastal resources shall be considered a minor modification and therefore permitted under this resolution, upon review and approval of the Director of Planning and Permitting.

BE IT FINALLY RESOLVED by the Council of the City and County of Honolulu that the Clerk be and is directed to transmit copies of this resolution to Randall K. Fujiki, AIA, Director of Planning and Permitting; Daniel Dinell, Hilton Hawaiian Village, 2005 Kalia Road, Honolulu, Hawaii 96815; and Lee Sichter, Belt Collins Hawaii Ltd., 2153 North King Street, Suite 200, Honolulu, Hawaii 96819; State Department of Defense, 3949 Diamond Head Road, Honolulu, Hawaii 96816; State Department of Business, Economic Development & Tourism, Energy Resources & Technology Division, State Office Tower, 235 South Beretania Street, 4th Floor, Honolulu, Hawaii 96813; State Department of Transportation, Highways Division, 869 Punchbowl Street, Honolulu, Hawaii 96813; Board of Water Supply; Honolulu Fire Department; The Gas Company, 841 Bishop Street, Suite 620,

RESOLUTION

Honolulu, Hawaii 96813; State Department of Land & Natural Resources, Historic Preservation Division, 601 Kamokila Boulevard, Room 555, Kapolei, Hawaii 96707.

INTRODUCED BY:

John DeSoto (BR)

DATE OF INTRODUCTION:

July 17, 2002
Honolulu, Hawaii

Councilmembers

(OCS/080102/ct)

6

CITY COUNCIL CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

I hereby certify that the foregoing RESOLUTION was adopted by the COUNCIL OF THE CITY AND COUNTY OF HONOLULU on the date and by the vote indicated to the right.

ATTEST:

Genevieve G. Wong
GENEVIEVE G. WONG
CITY CLERK

John DeSoto
JOHN DeSOTO
CHAIR AND PRESIDING OFFICER

ADOPTED MEETING HELD

8/7/02

	AYE	NO	ABE
BAINUM	X		
BUNDA	X		
CACHOLA	X		
DeSOTO	X		
FELIX	X		
HOLMES	X		
KOBAYASHI	X		
OKINO	X		
YOSHIMURA	X		

Reference:

Report No. Z-381

Resolution No.

02-225, CD1

EXHIBIT D
Page 06 of 20

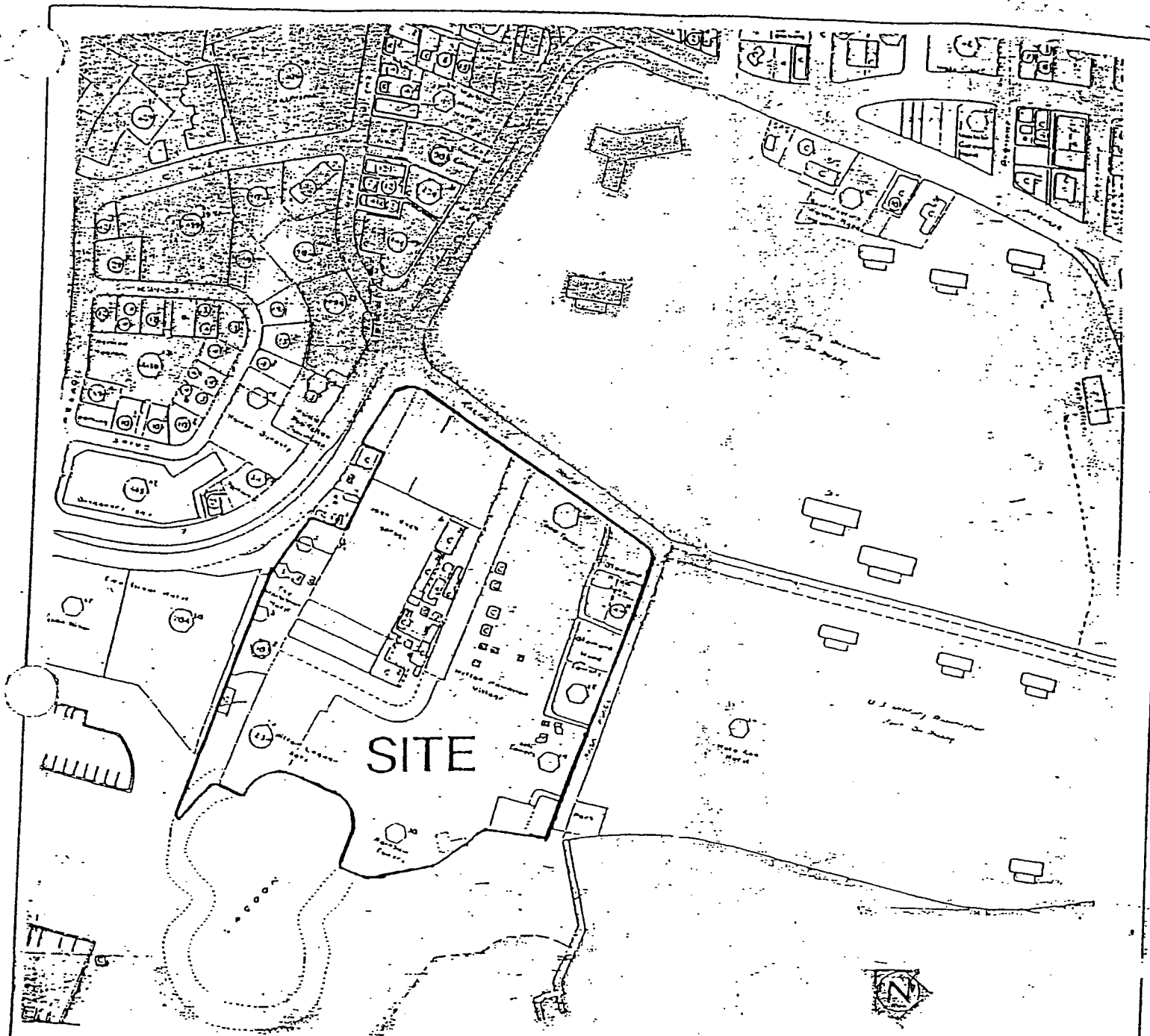


EXHIBIT D
Page 09 of 30

LEGEND

	SINGLE-FAMILY		QUASI-PUBLIC FACILITIES
	TWO-FAMILY		PARKS & RECREATION
	MULTI-FAMILY		CEMETERY
	CONDO-HOTEL		TRANSPORTATION
	HOTEL		UTILITIES
	COMMERCIAL		MILITARY
	INDUSTRIAL		VACANT
	AGRICULTURAL		UNDER CONSTRUCTION
	PUBLIC FACILITIES		

PORTION OF LAND USE MAP WAIKIKI - DIAMOND HEAD

EXHIBIT C

TAX MAP KEYS: 2-6-8: 1-3, 5, 7, 12, 19-21,
23, 24, 27, 31, 34, 37, 38

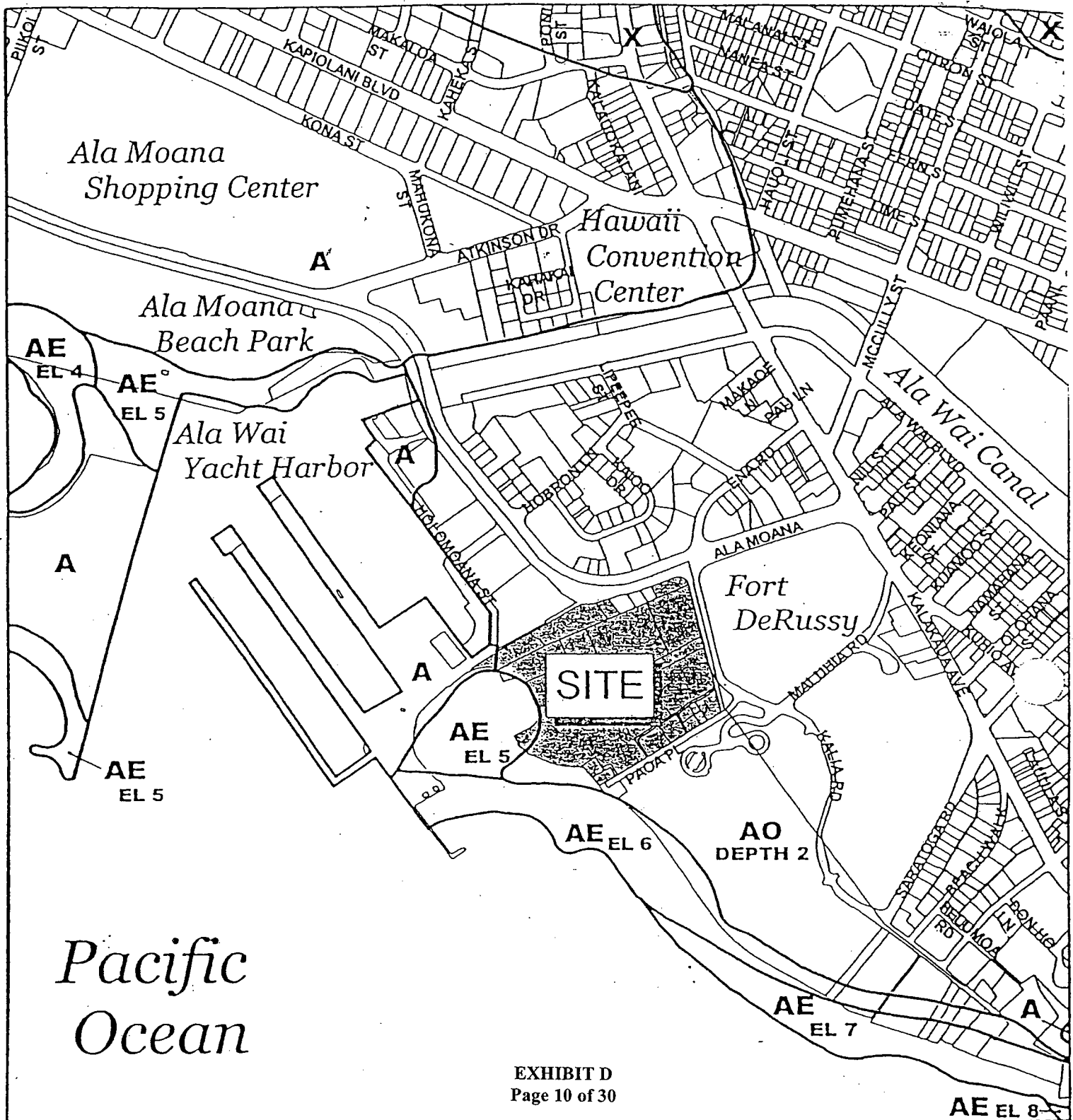


EXHIBIT D
Page 10 of 30



VICINITY MAP



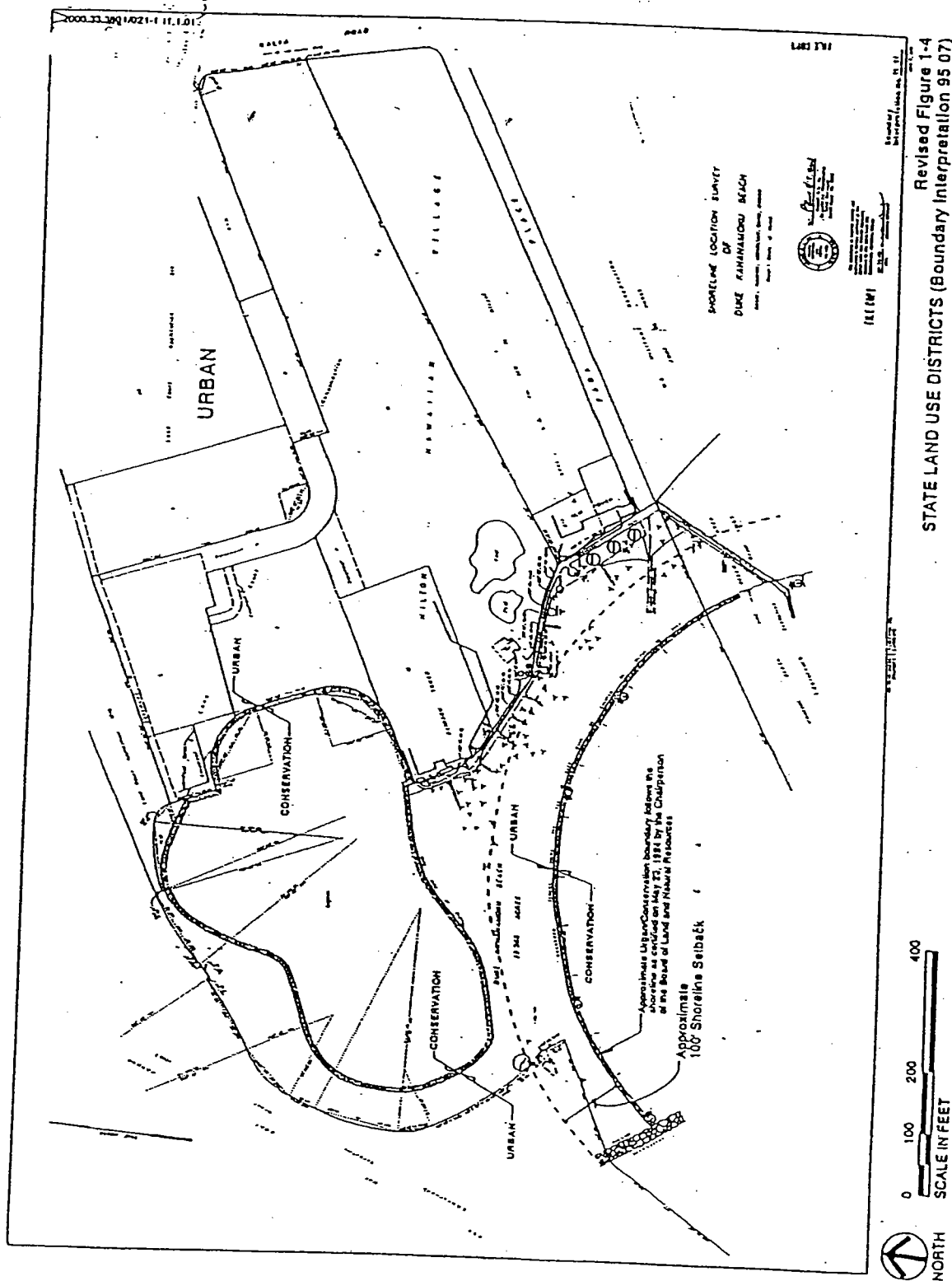
800

0

800 Feet

FLOOD ZONE MAP WAIKIKI EXHIBIT E

TAX MAP KEYS: 2-6-8: 1-3, 5, 7, 12, 19-21,
23, 24, 27, 31, 34, 37, 38
2-6-9: 1-3, 7, 9, 10-13

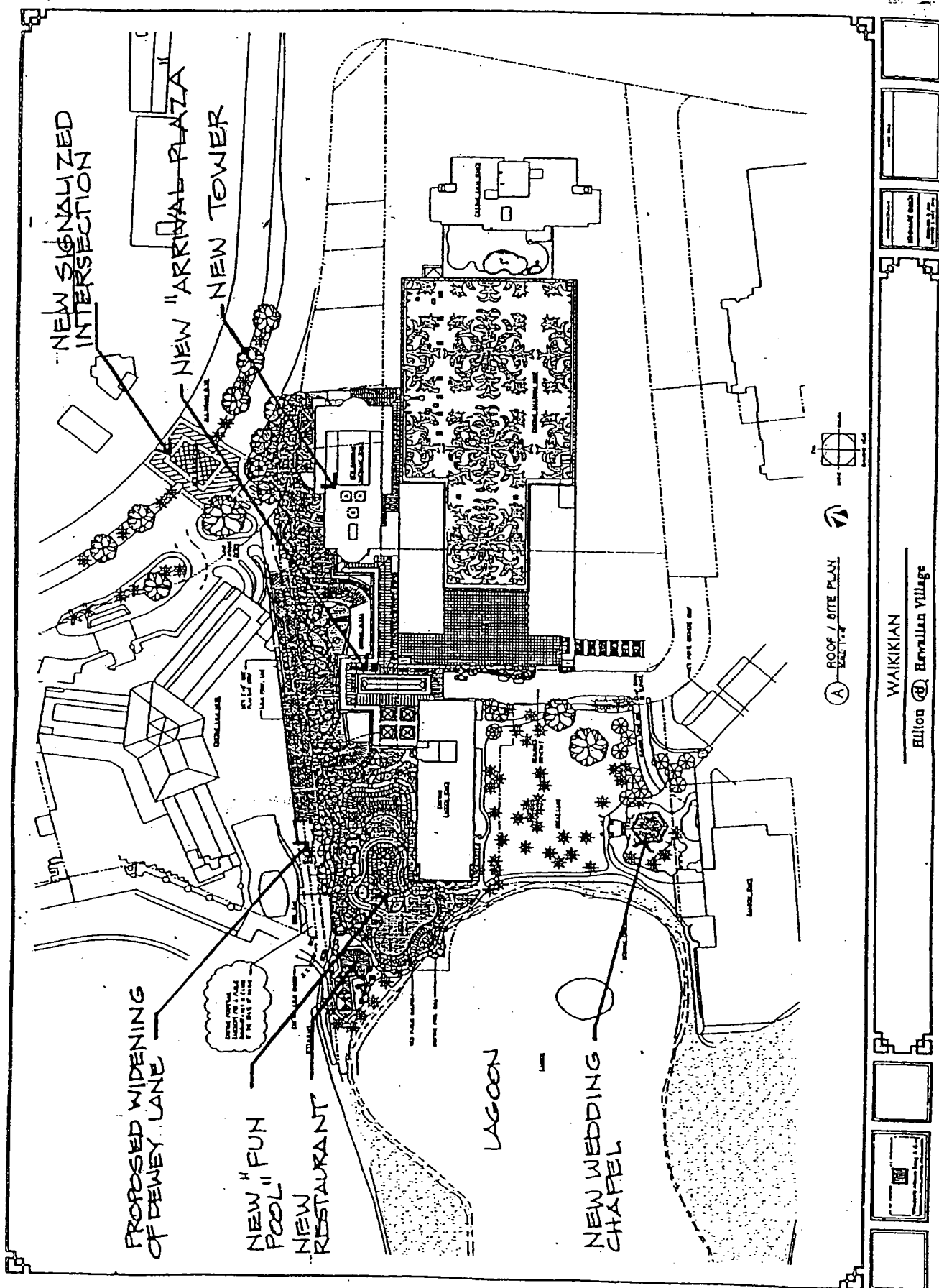


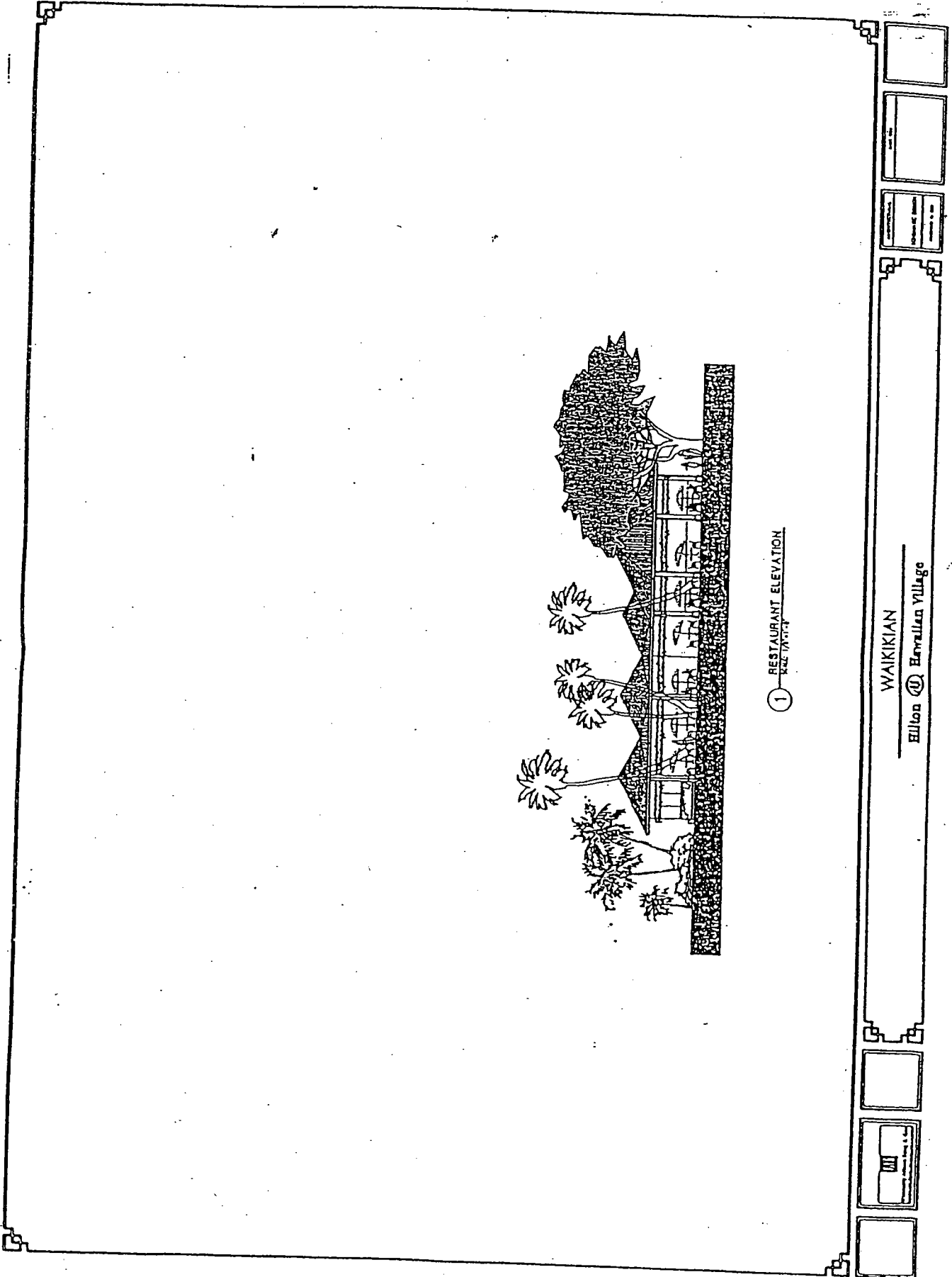
STATE LAND USE DISTRICTS (Boundary Interpretation 95 07)
Revised Figure 1-4
Hilton Hawaiian Village Walkiklan Development Plan
Prepared by Bell Collins, Hawaii
October 2001

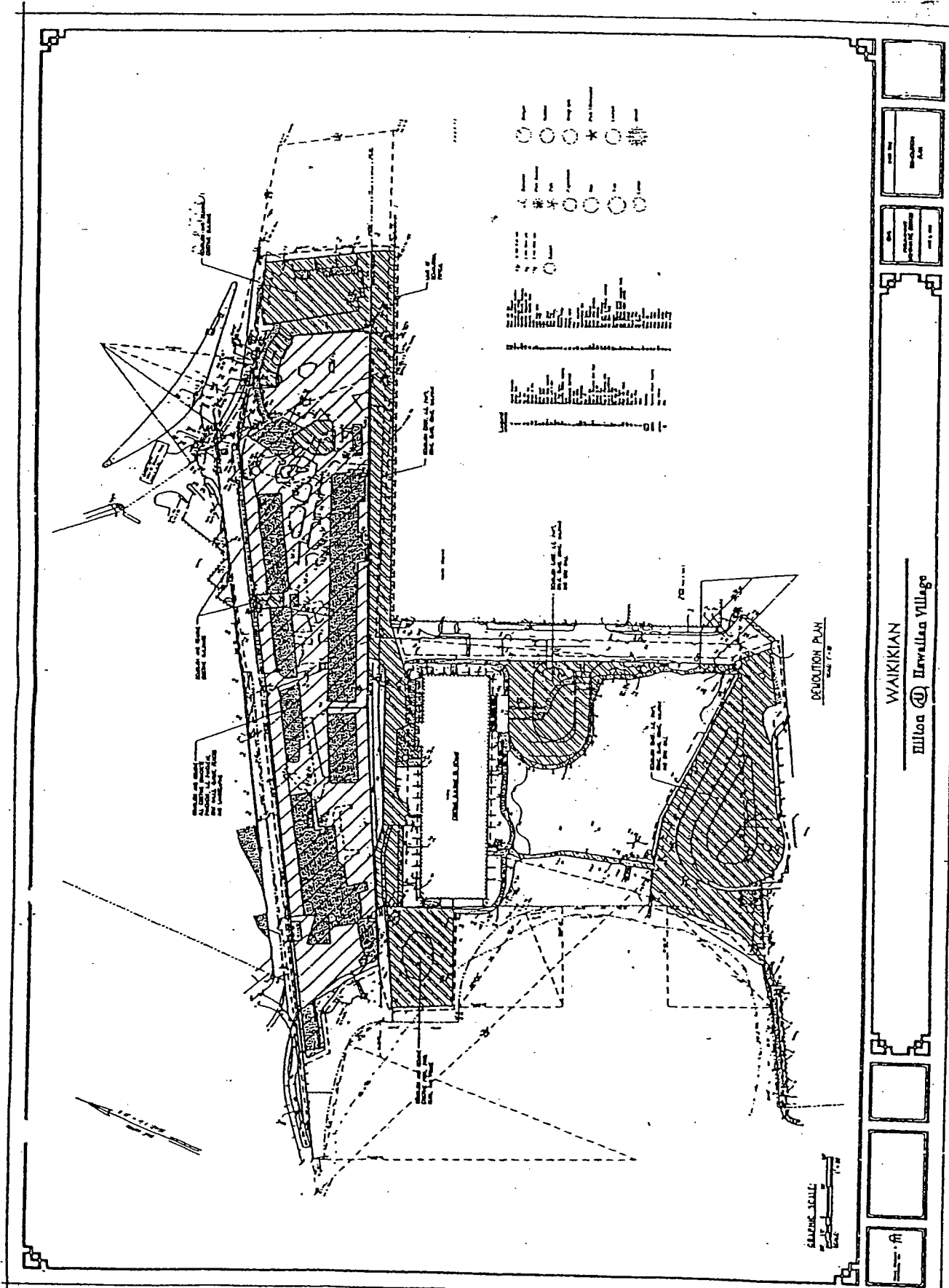
Hilton Hawaiian Village Walkiklan Development Plan
Prepared by Bell Collins-Hawaii
October 2001

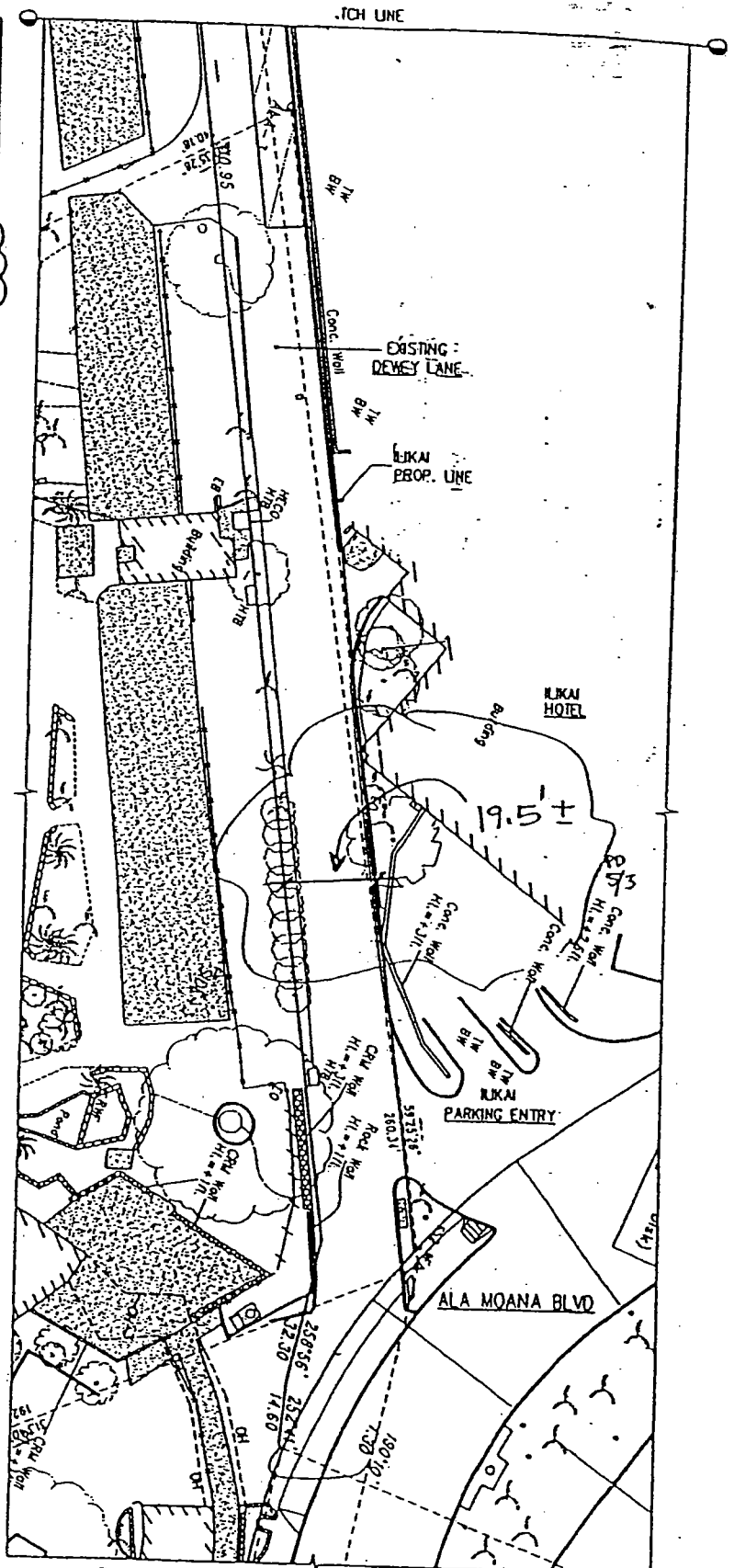
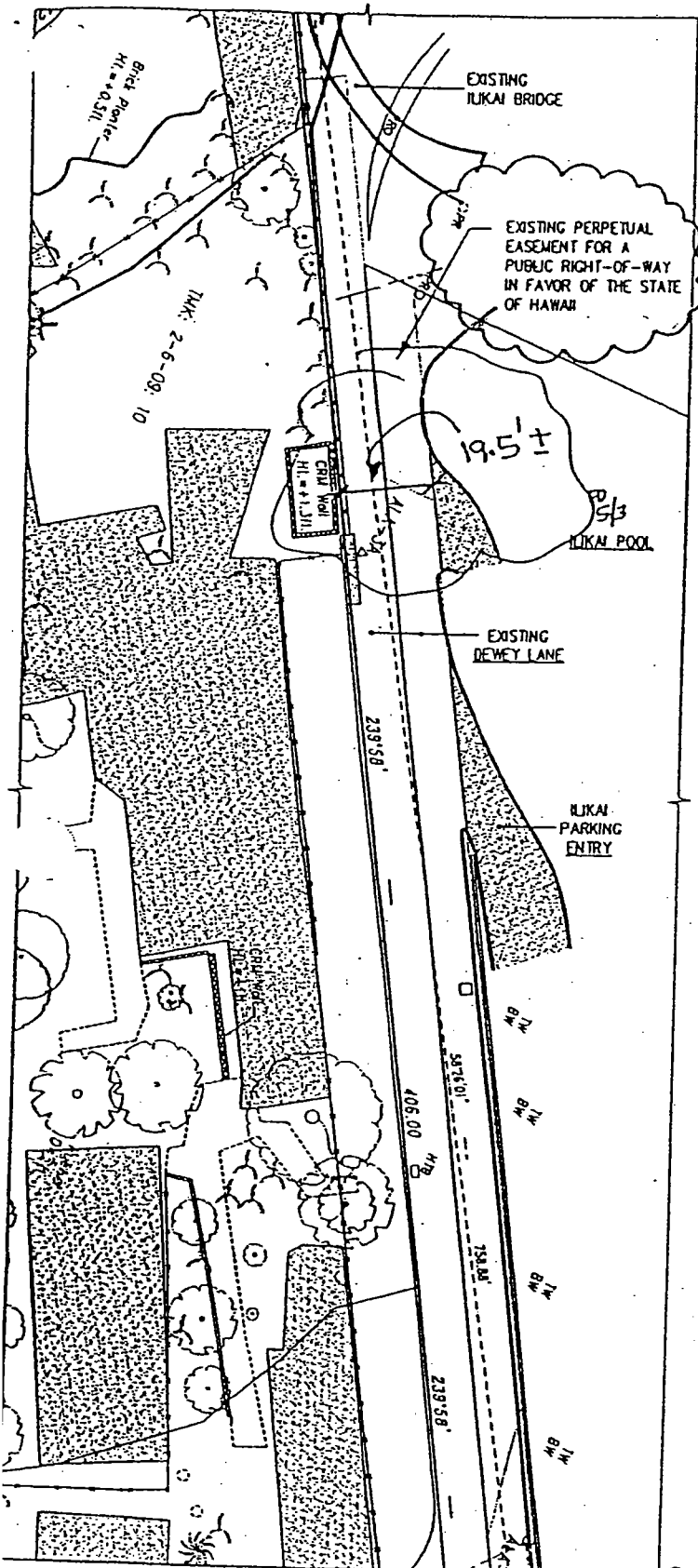
October 2001

EXHIBIT F



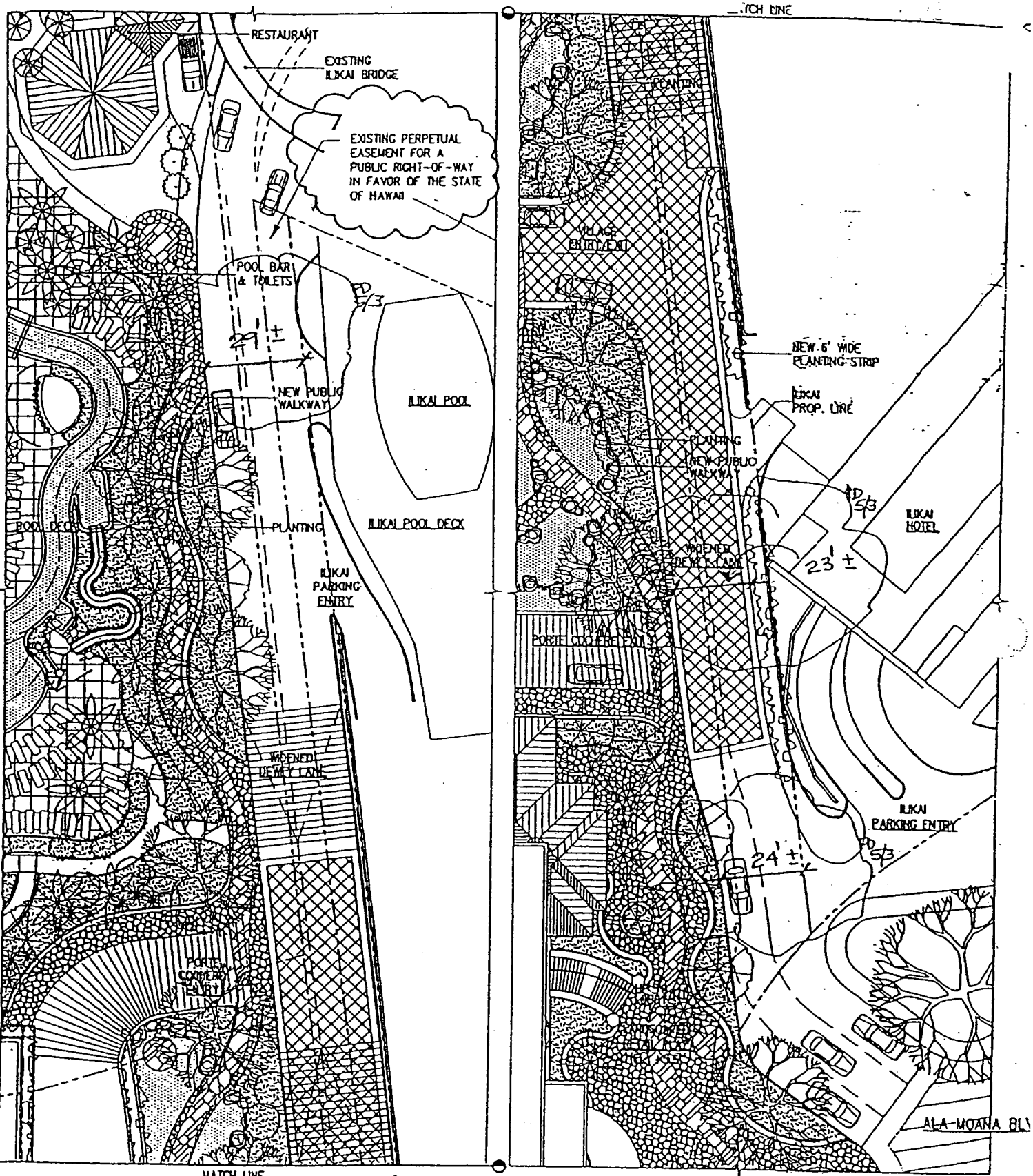






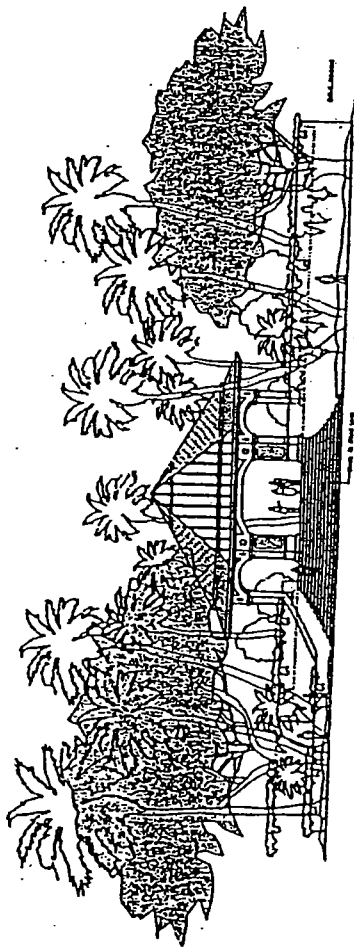
(EXISTING)
DEWEY LANE PLAN SURVEY

SCALE: 1"=40'

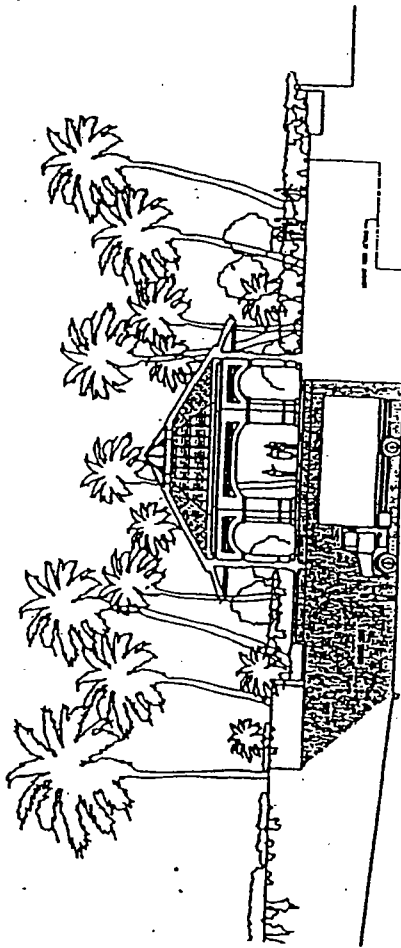


(PROPOSED)
 NEW DEWEY LANE PLAN

SCALE: 1"=40'



① WEDDING CHAPEL ELEVATION
SCALE 1/4" = 1'-0"



② WEDDING CHAPEL SECTION
SCALE 1/4" = 1'-0"

WAIKIKIAN
Hilton Hawaiian Village

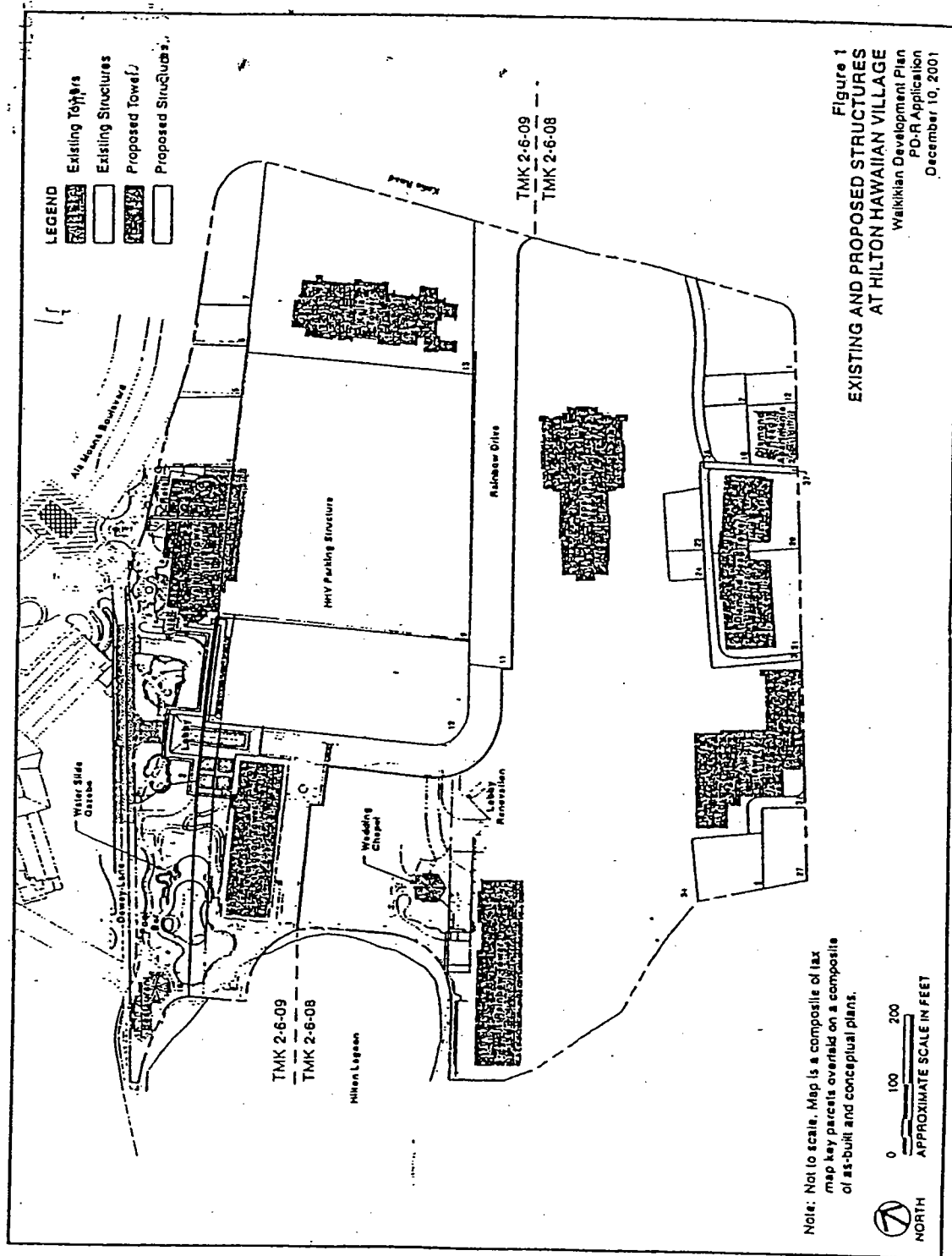
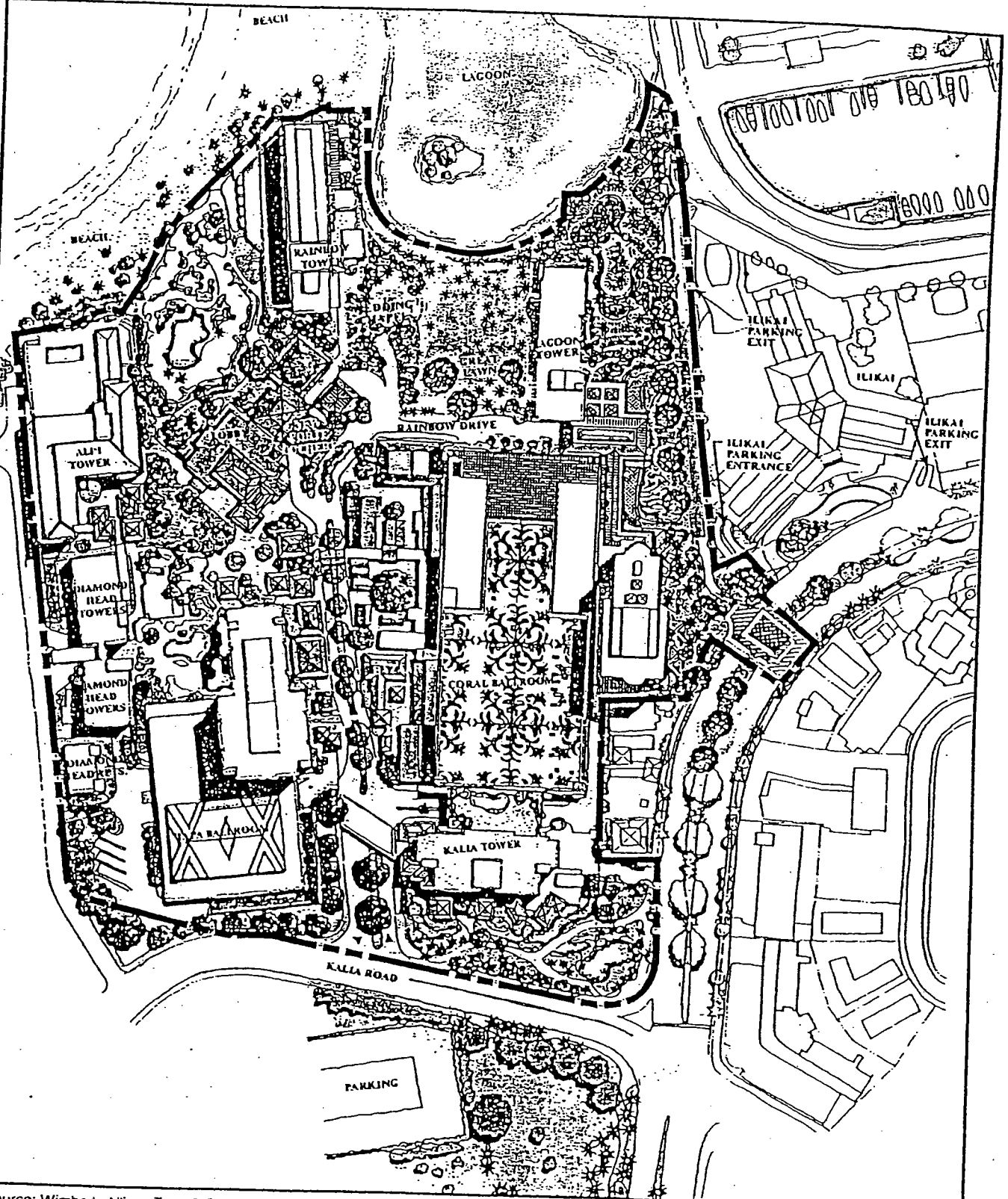


Figure 1
EXISTING AND PROPOSED STRUCTURES
AT HILTON HAWAIIAN VILLAGE
Waikikian Development Plan
PD-R Application
December 10, 2001

EXHIBIT SMA/PDR-7



Source: Wimberly Allison Tong & Goo



NORTH

0 100 200 400
SCALE IN FEET

Revised Figure 2-4
WAIKIKIAN SITE PLAN MITIGATIVE ALTERNATIVE

EXHIBIT D
Page 19 of 30

Hilton Hawaiian Village Waikikian Development Plan
Prepared by Bell Collins Hawaii
Revised May 2002

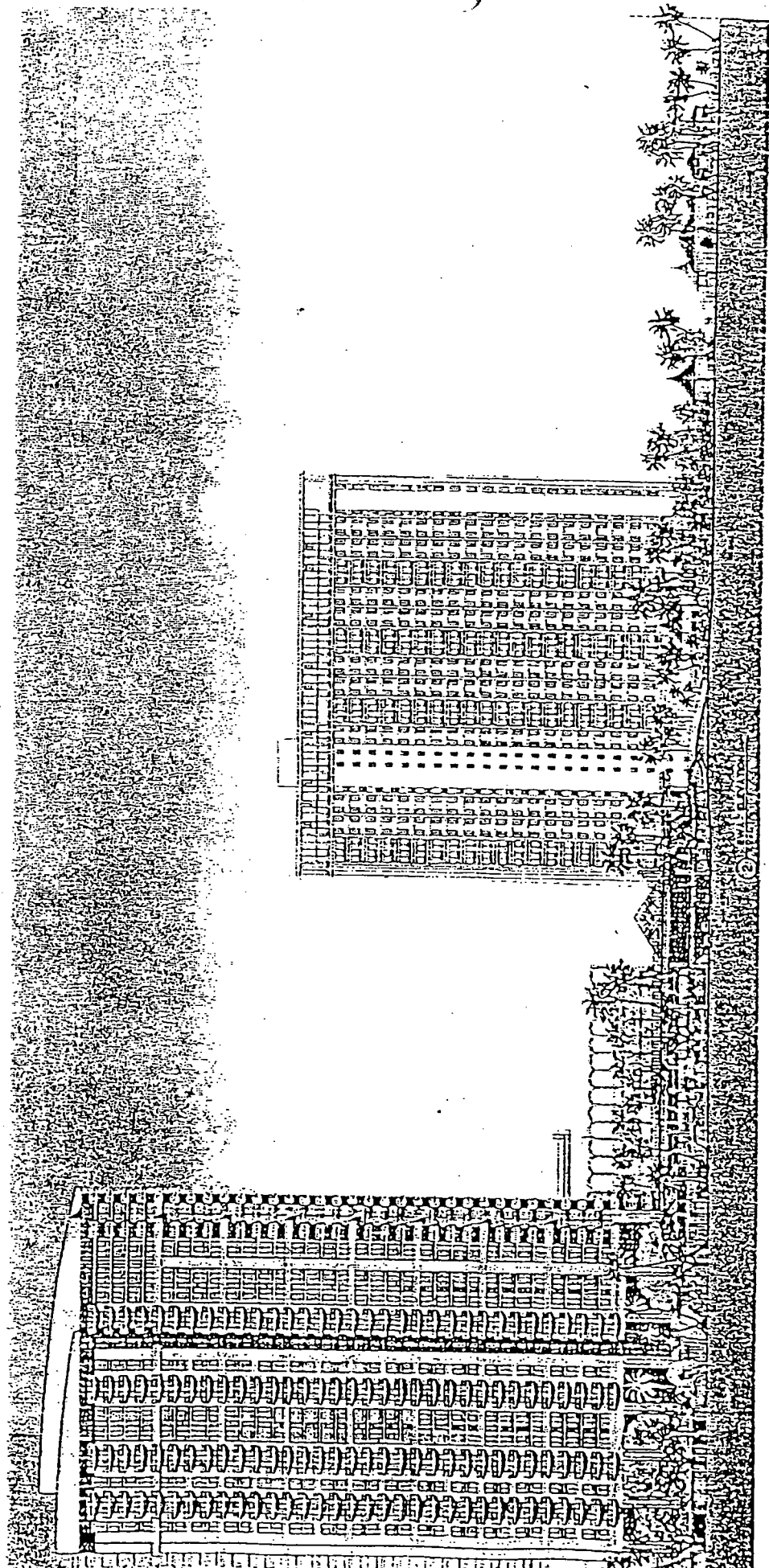


EXHIBIT SMA/PDR-9

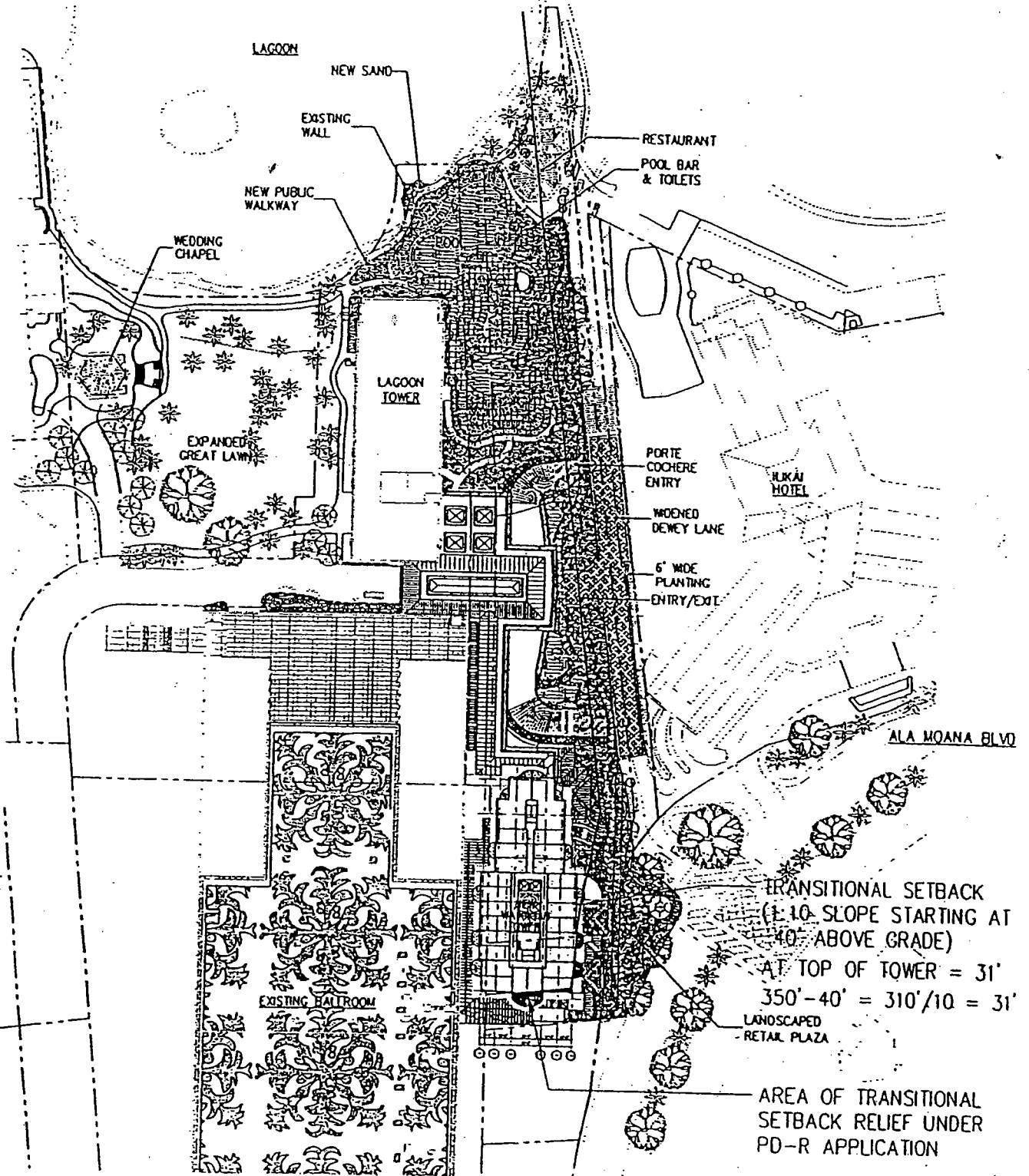
AREA SUMMARY - MITIGATIVE ALTERNATIVE

November 1, 2001							
COST CENTER NOS.	DESCRIPTION	NO. OF. MOOS	NET SF	BUILDING AREA	F.A.R. SF	NON F.A.R. SF	
A	TOWER						
	GUEST UNITS & BALCONIES						
103	1-BR UNITS (32 MOOS) 30X	357.5 X 206	715.00	71,845.00	71,845.00	0.00	
228	2-BR UNITS (63 MOOS) 67X	344.5 X 684	1,033.30	235,838.00	235,838.00	0.00	
10	3-BR UNITS (84 MOOS) 3X	344.5 X 40	1,378.00	13,780.00	13,780.00	0.00	
	SUB TOTAL			321,063.0	321,063.00	0.00	
341	TOTAL GUEST UNITS						
	BALCONIES			32,443	0	32,443	
	ELEVATOR SHAFTS			23,300	23,300	0	
	GROUND FLOOR ELEVATOR SHAFTS			700	700	0	
	HAUD/SERVICE/CIRCULATION (tower only)			70,154	70,154	0	
	STAIRS (Tower Lobby & parking levels)			15,763	15,763	0	
	LOBBY/LOUNGE (incl. Concierge, Circ. & Parking Elev lobbies)			7,605	7,605	0	
	GROUND PUBLIC CIRCULATION incl. Ext. Stairs			5,187	5,187	0	
	MECHANICAL (at roof)			2,060	2,060	0	
	BOH/ STORAGE AT PARKING LEVELS			20,134	20,134	0	
	ADMIN OFFICES			2,313	2,313	0	
	GENERATOR			403	403	0	
	MECHANICAL (Assumes Stand Alone Plant)			4,979	4,979	0	
	LOADING/TRUCK DOCK			1,487	1,487	0	
	BOH /SERVICE CIRCULATION			1,681	1,681	0	
	SERVICE DRIVEWAY			7,987	0	7,987	
	TOWER SUB TOTAL			319,299			
B	PARKING			49,864	0	49,864	
C	COMMON PORTE COCHERE/ARRIVAL PLAZA						
	PORTE COCHERE			2,051	0	2,051	
	COVERED WALKWAY			7,384	7,384	0	
	FRONT DESK/OFFICE			1,357	1,357	0	
	PORTE COCHERE SUBTOTAL			10,792			
D	RETAIL SHOPS						
	RETAIL SHOPS (Excl. Sundry Shop)			7,553	7,553	0	
	SUNDARY SHOP (at lobby level)			1,571	1,571	0	
	RETAIL SHOPS SUBTOTAL			9,124			
E	RESTAURANT						
	RESTAURANT (Incl Pool Bar)			2,500	2,500	0	
F	SITEWORK						
	WEDDING CHAPEL			1,200	1,200	0	
	SUBTOTAL			592,799	500,414	92,385	
	Undefined Area (10%)				50,041		
	TOTAL				550,455		
	REQUIRED PARKING						
	Units (0.25 stall per unit)	341	0.25	85.25			
	Retail (1 stall per 800sf)	9,124	800	11.41			
	Restaurant (1stall per 800sf)	2,500	800	3.13			
	Admin Office (1 stall per 800 sf)	2,313	800	2.89			
	Front Office (1 stall per 800sf)	1,357	800	1.70			
	Total Required Parking			104.37 say 106 stalls			
	NEW PARKING	120					

Waikikian + HHV Parcels FAR Calculation

09-Apr-02

Description	TMK	Land Area (sf)	Land Area (sf)	Floor Area (sf)
Alii Tower			16,697	254,488
Alii Tower	2-6-08:05	8,121		
Alii Tower	2-6-08:27	6,584		
Alii Tower	2-6-08:31	1,992		
Diamond Head Apts			32,554	33,750
Diamond Head Apts	2-6-08:01	14,653		
Diamond Head Apts	2-6-08:02	5,900		
Diamond Head Apts	2-6-08:07	2,618		
Diamond Head Apts	2-6-08:12	3,126		
Diamond Head Apts	2-6-08:19	4,940		
Diamond Head Apts	2-6-08:37	1,317		
Diamond Head Tower			39,597	230,897
Diamond Head Tower	2-6-08:03	4,865		
Diamond Head Tower	2-6-08:20	14,360		
Diamond Head Tower	2-6-08:21	18,215		
Diamond Head Tower	2-6-08:24	2,157		
Kalia Tower			90,530	355,488
Kalia Tower	2-6-09:07	13,281		
Kalia Tower	2-6-09:13	77,249		
Lagoon Tower	2-6-09:01		70,000	286,110
Parking/CB & Rainbow Bazaar	2-6-09:09		131,645	137,754
Parking/CB				93,992
Rainbow Bazaar				43,762
Parking/CB & Rainbow Bazaar	2-6-09:12		56,428	0
Roadway	2-6-09:11		37,984	0
Tapa Tower, Rainbow Tower, Entry Building, Louis Vitton, & Retail Shops	2-6-08:34		394,518	1,350,575
Tapa Tower				947,364
Rainbow Tower				370,301
Entry Building				26,000
Louis Vitton				3,502
Retail Shops				3,408
Tapa Tower/Diamond Head Tower	2-6-08:23		4,340	0
Tapa Tower/Diamond Head Tower	2-6-08:38		3,751	0
Subtotal			878,044	2,649,062
Total (HHV)			878,044	2,648,602
Waikikian	2-6-9:10		29,374	550,455
	2-6-9:2		45,105	
	2-6-9:3		8,080	
Subtotal (Waikikian)			82,559	550,455
TOTAL			960,603	3,199,057
1/2 ROW Kalia Bonus			69,580	0
1/2 ROW Ala Moana, Dewy, Halomaana Bonus			34,716	0
GRAND TOTAL			1,064,899	3,199,057
FAR Multiplier				3.0041



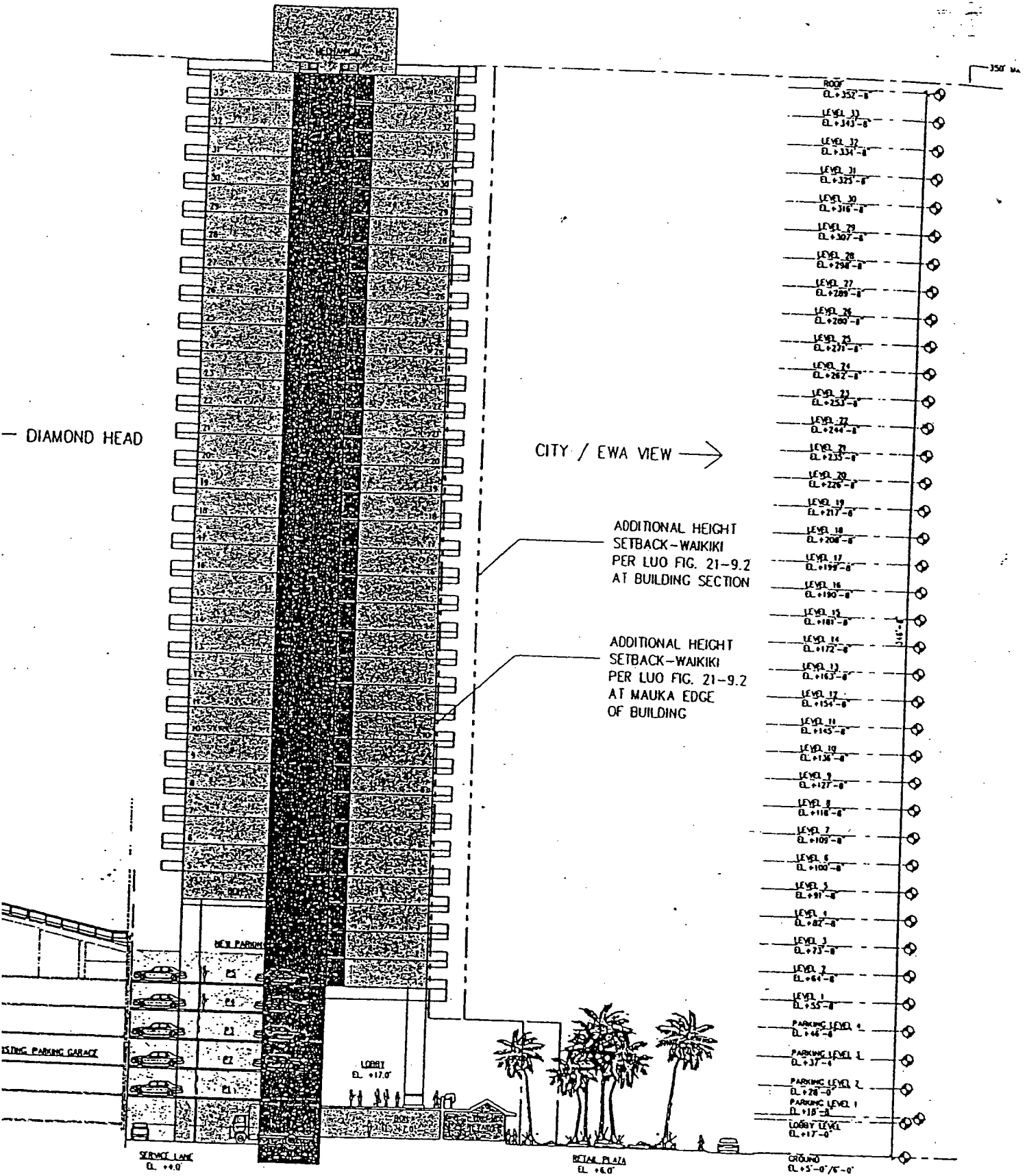
TRANSITIONAL SETBACK

SCALE: 1/128" : 1'-0"

EXHIBIT D
Page 23 of 30



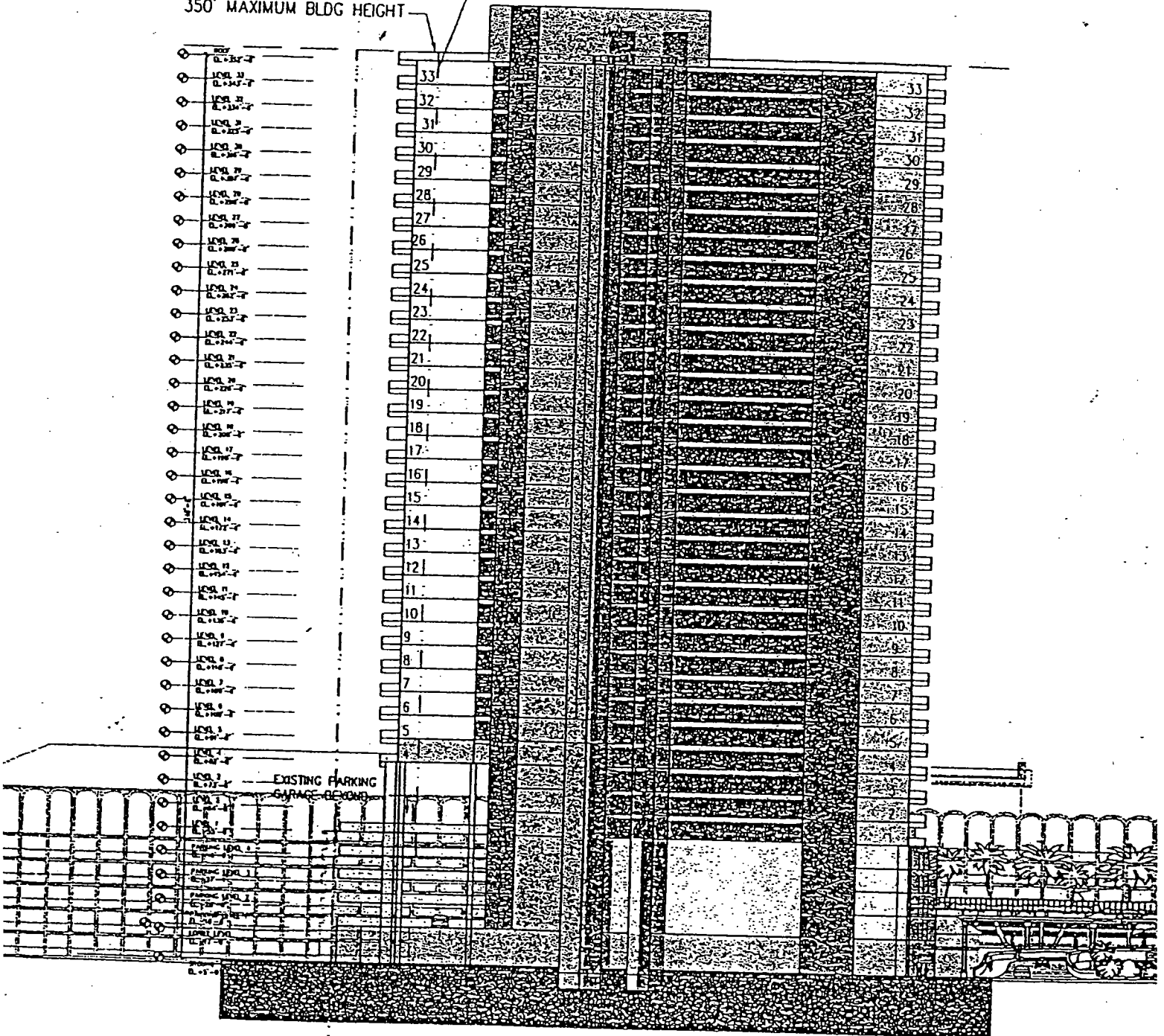
EXHIBIT SMA/PDR-12

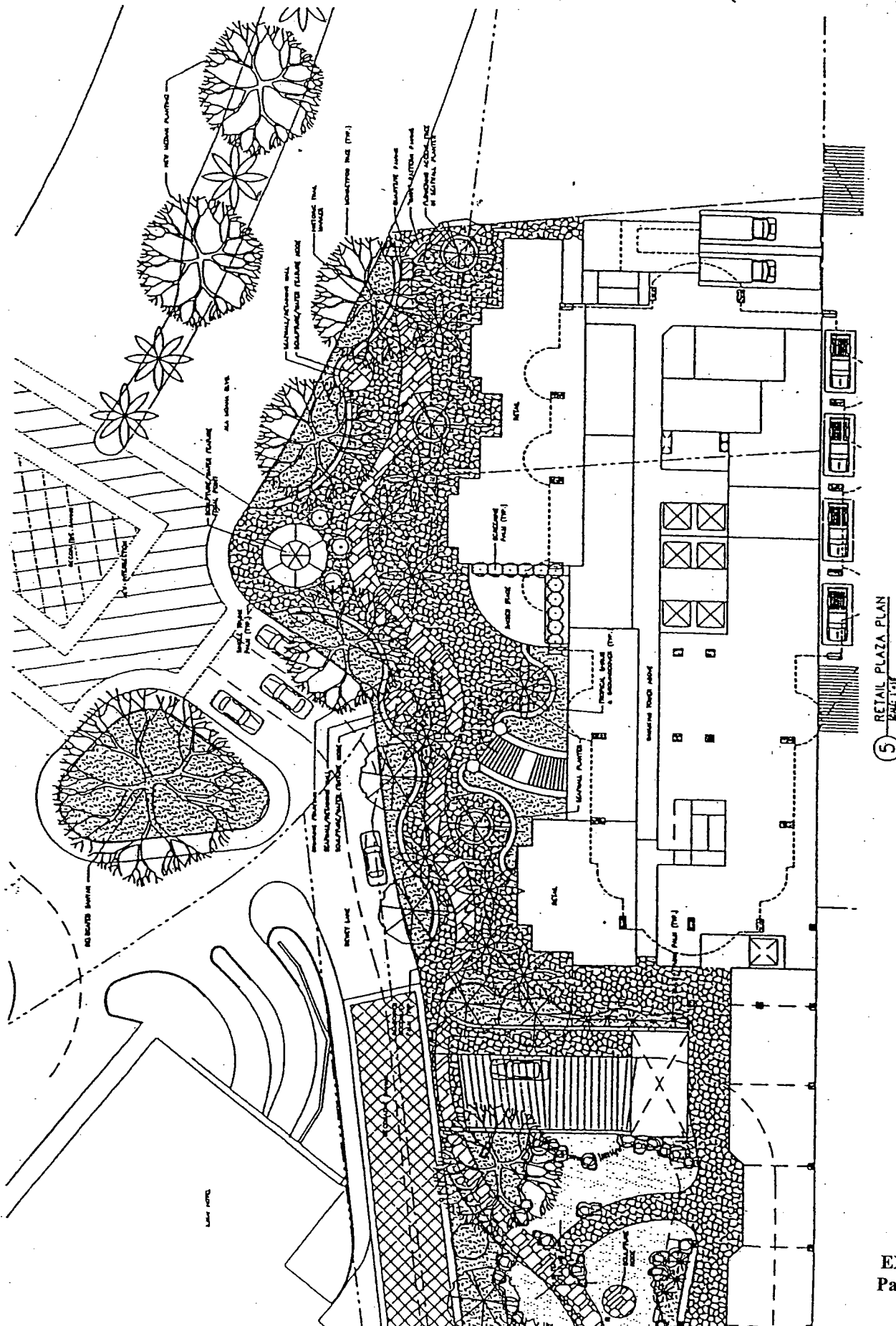


1 CROSS SECTION
SCALE: 1/16"=1'-0"

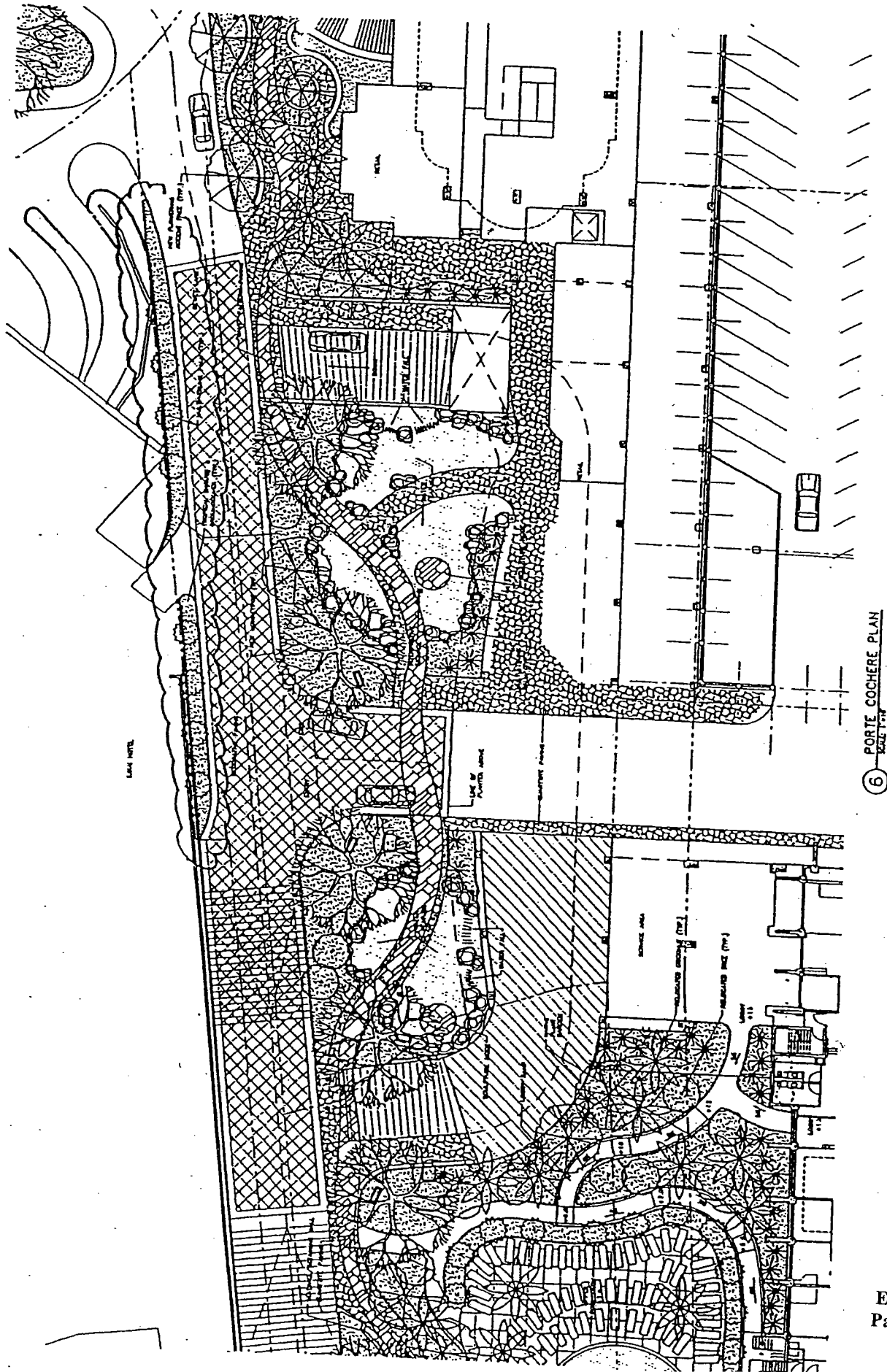
ADDITIONAL HEIGHT
SETBACK-WAIKIKI
PER LUO FIG. 21-9.2
AT MAUKA EDGE
OF BUILDING

350' MAXIMUM BLDG HEIGHT





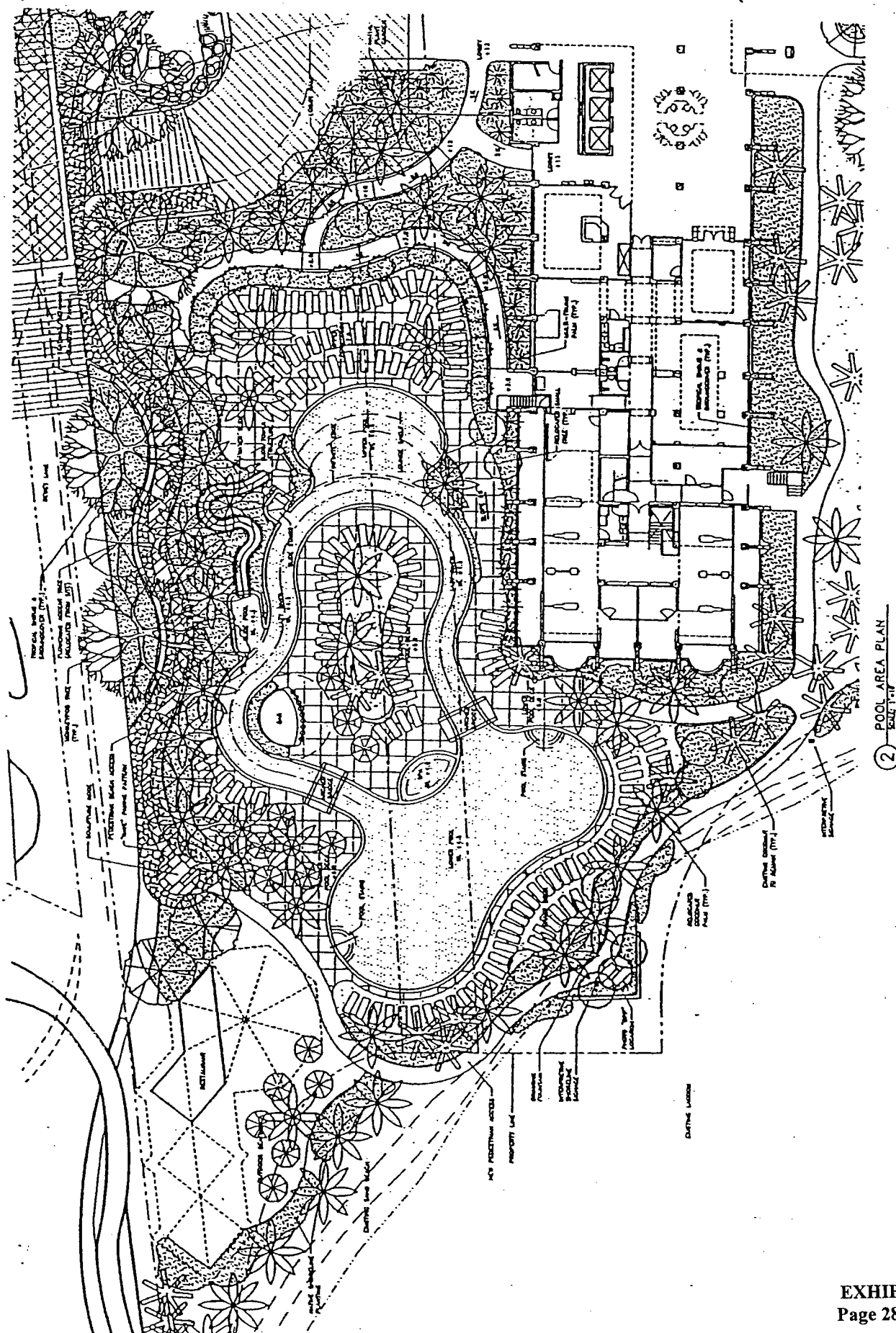
⑤ RETAIL PLAZA PLAN
SCALE 1"=10'

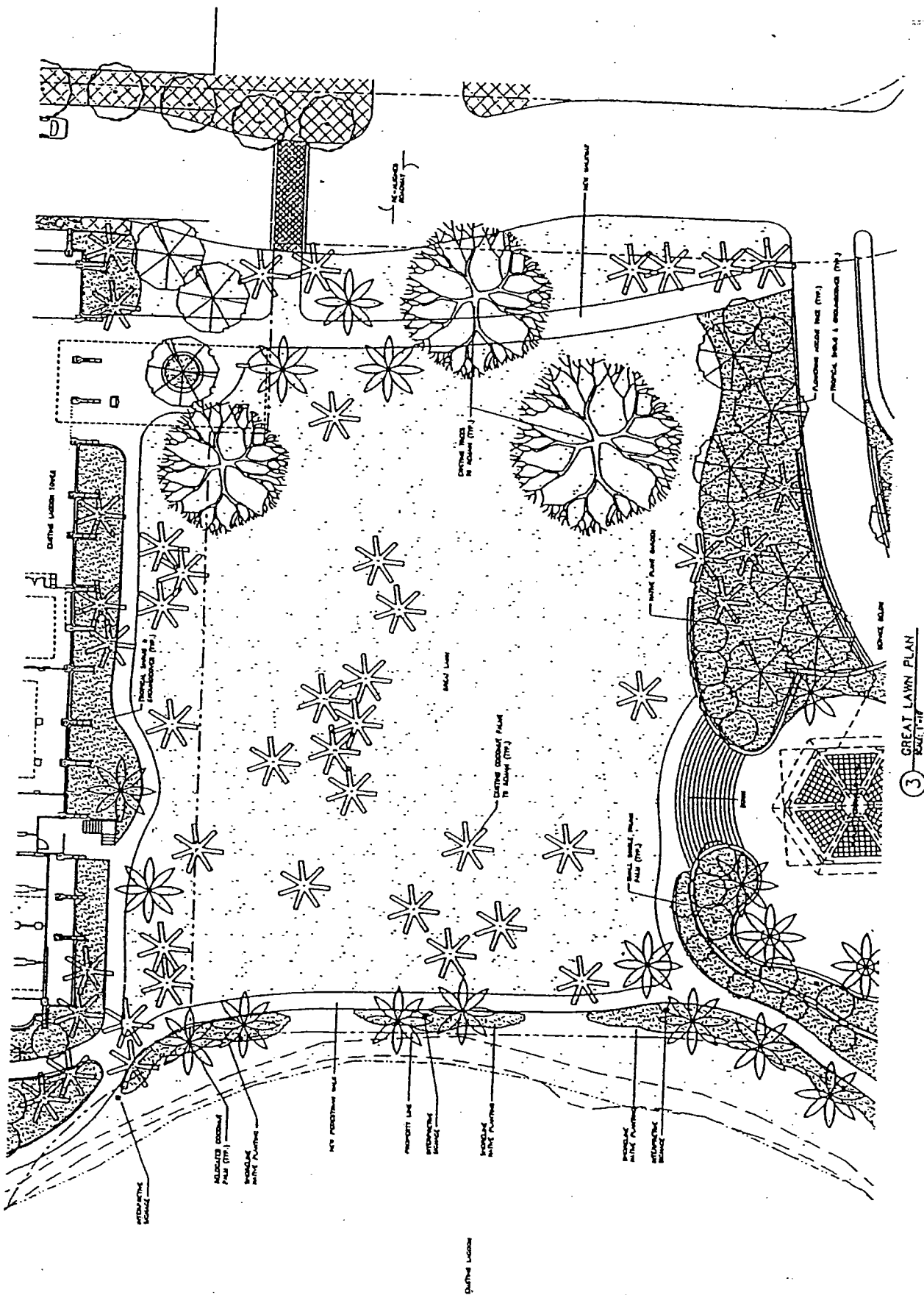


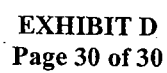
⑥ PORTE COCHERE PLAN
Scale 1"=10'

EXHIBIT SMA/PDR-16

EXHIBIT SMA/PDR. - 7







SECRET

161K A-1
TAK: 2-8-10: 7

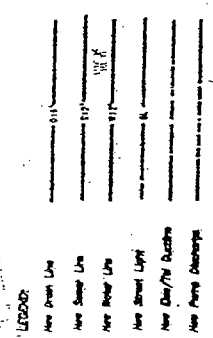


New Sewer Line

New Pump Discharge

UNITED STATES DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

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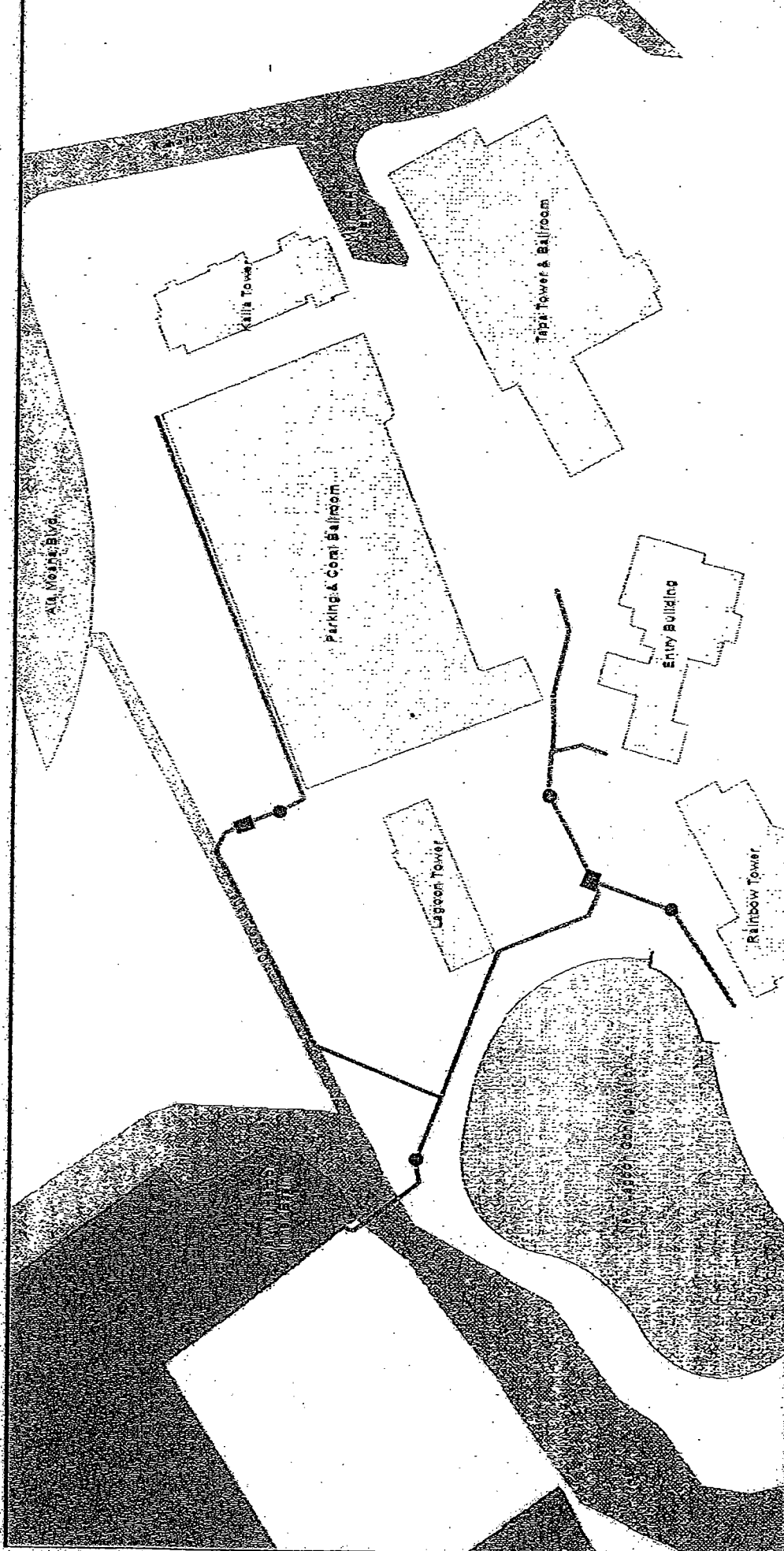


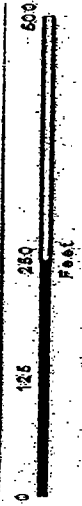
Figure 2-6:

Conceptual Layout of Proposed Storm Drainage System

Duke Kahanamoku Lagoon
Restoration Project

Legend:

- New Storm Drains
- Treatment System
- Pump System



Prepared For:

Hilton Hotels Corp.

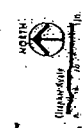
Prepared By:



PLANNING
SOLUTIONS

Sources:

- City & County of Honolulu GIS
- Alcon Engineering, Inc.

 Dell